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**UNCONSOLIDATED UNAUDITED
QUARTERLY REPORT,
FOR THE PERIOD 1.1.2020 - 31.03.2020**

Zagreb, April 2020

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STATEMENT OF COMPREHENSIVE INCOME
(STATEMENT OF PROFIT OR LOSS)
For the period: 1.1.2020 - 31.03.2020

in HRK

Item	ADP code	Same period of the previous year			Current year		
		Life	Non-life	Total	Life	Non-life	Total
1	2	3	4	5(3+4)	6	7	8(6+7)
I Earned premiums (ADP 119 to 123)	118	161.178.367	446.293.750	607.472.117	115.581.841	482.185.597	597.767.438
1 Gross written premium	119	161.483.946	737.741.074	899.225.020	115.662.398	741.664.476	857.326.874
2 Value adjustment and charged premium value adjustment	120	0	-1.004.972	-1.004.972	0	8.388.275	8.388.275
3 Outward reinsurance premiums (-)	121	-47.616	-115.982.683	-116.030.299	-49.417	-102.172.040	-102.221.457
4 Change of gross provisions for unearned premiums (+/-)	122	-267.578	-233.854.488	-234.122.066	-40.114	-219.987.535	-220.027.649
5 Change of provisions for unearned premiums, reinsurers' share (+/-)	123	9.615	59.394.819	59.404.434	8.974	54.292.421	54.301.395
II Income from investments (ADP 125 to 131)	124	33.989.342	68.175.239	102.164.581	94.508.609	114.180.656	208.689.265
1 Income from branches, associates and joint ventures.	125	0	14.231.394	14.231.394	235.441	715.907	951.348
2 Income from investment in land and buildings	126	0	10.310.655	10.310.655	0	5.742.982	5.742.982
3 Interest income	127	26.588.282	26.751.216	53.339.498	24.421.581	25.165.645	49.587.226
4 Unrealised gains on investments	128	154.481	2.688.765	2.843.246	39.283	98.207	137.490
5 Realised gains on investments	129	4.845.715	10.169.771	15.015.486	12.127.774	43.469.114	55.596.888
6 Net positive exchange rate differences	130	2.399.860	3.810.085	6.209.945	57.678.441	28.320.583	85.999.024
7 Other income from investments	131	1.004	213.353	214.357	6.089	10.668.218	10.674.307
III Income from commissions and fees	132	532.043	8.712.444	9.244.487	536.349	7.903.161	8.439.510
IV Other insurance-technical income, net amount from reinsurance	133	43.971	4.827.048	4.871.019	178.469	5.118.537	5.297.006
V Other income	134	1.724	2.666.891	2.668.615	846	1.485.697	1.486.543
VI Claims incurred, net (ADP 136 + 139)	135	-96.432.295	-243.848.500	-340.280.795	-194.807.924	-282.262.001	-477.069.925
1 Claims settled (ADP 137+138)	136	-109.890.444	-267.385.100	-377.275.544	-167.681.727	-274.666.747	-442.348.474
1.1 Gross amount (-)	137	-109.890.444	-308.659.148	-418.549.592	-167.681.727	-289.461.846	-457.143.573
1.2 Reinsurers' share (+)	138	0	41.274.048	41.274.048	0	14.795.099	14.795.099
2 Change in the provision for claims (+/-) (ADP 140+141)	139	13.458.149	23.536.600	36.994.749	-27.126.197	-7.595.254	-34.721.451
2.1 Gross amount	140	13.458.149	35.341.916	48.800.065	-27.126.197	-30.873.092	-57.999.289
2.2 Reinsurers' share	141	0	-11.805.316	-11.805.316	0	23.277.838	23.277.838
VII Change in mathematical provision and other technical provisions, net of reinsurance (ADP 143+146)	142	-63.692.279	4.008.462	-59.683.817	24.799.065	19.783.198	44.582.263
1 Change in mathematical provisions (+/-) (ADP 144+145)	143	-63.692.279	3.018.736	-60.673.543	24.799.065	2.028.911	26.827.976
1.1 Gross amount (-)	144	-63.689.623	3.018.736	-60.670.887	24.804.703	2.028.911	26.833.614
1.2 Reinsurers' share (+)	145	-2.656	0	-2.656	-5.638	0	-5.638
2 Change in other technical provisions, net of reinsurance (+/-) (ADP 147+148)	146	0	989.726	989.726	0	17.754.287	17.754.287
2.1 Gross amount (-)	147	0	989.726	989.726	0	17.754.287	17.754.287
2.2 Reinsurers' share (+)	148	0	0	0	0	0	0
VIII Change of special provision for life assurance where policyholders bear the investment risk, net of reinsurance (+/-) (ADP 150+151)	149	2.545.288	0	2.545.288	8.383.434	0	8.383.434
1 Gross amount (-)	150	2.545.288	0	2.545.288	8.383.434	0	8.383.434
3 Reinsurers' share (+)	151	0	0	0	0	0	0
IX Cash payments for bonuses and rebates, net of reinsurance (ADP 153+154)	152	0	-1.466.697	-1.466.697	0	-2.192.655	-2.192.655
1 Performance-dependent (bonuses)	153	0	-1.466.697	-1.466.697	0	-2.192.655	-2.192.655
2 Performance-independent (rebates)	154	0	0	0	0	0	0

STATEMENT OF COMPREHENSIVE INCOME
(STATEMENT OF PROFIT OR LOSS)
For the period: 1.1.2020 - 31.03.2020

in HRK

Item	ADP code	Same period of the previous year			Current year		
		Life	Non-life	Total	Life	Non-life	Total
1	2	3	4	5(3+4)	6	7	8(6+7)
X Operating expenses (business expenditures), net (ADP 156+160)	155	-20.802.407	-184.718.691	-205.521.098	-16.591.017	-168.860.649	-185.451.666
1 Acquisition costs (ADP 157 to 159)	156	-9.952.979	-104.282.082	-114.235.061	-7.361.035	-93.324.500	-100.685.535
1.1 Commission	157	-3.925.440	-77.229.883	-81.155.323	-2.115.778	-70.927.148	-73.042.926
1.2 Other acquisition costs	158	-6.027.539	-39.864.161	-45.891.700	-5.245.257	-33.609.666	-38.854.923
1.3 Change in deferred acquisition costs	159	0	12.811.962	12.811.962	0	11.212.314	11.212.314
2 Administration expenses (administrative costs) (ADP 161 to 163)	160	-10.849.428	-80.436.609	-91.286.037	-9.229.982	-75.536.149	-84.766.131
2.1 Depreciation	161	-906.027	-13.073.616	-13.979.643	-790.795	-13.836.966	-14.627.761
2.2 Salaries, taxes and contributions from/on salaries	162	-4.534.774	-28.786.386	-33.321.160	-3.659.921	-27.501.417	-31.161.338
2.3 Other administration expenses	163	-5.408.627	-38.576.607	-43.985.234	-4.779.266	-34.197.766	-38.977.032
XI Investment expenses (ADP 165 to 171)	164	-1.243.247	-13.737.336	-14.980.583	-16.367.100	-63.505.855	-79.872.955
1 Depreciation of land and buildings not occupied by an undertaking for its own activities	165	0	0	0	0	0	0
2 Interest	166	-302.900	-1.819.656	-2.122.556	-341.447	-2.010.342	-2.351.789
3 Impairment of investments	167	0	-323.557	-323.557	-1.013.854	-2.494.509	-3.508.363
4 Realised loss on investments	168	-484.817	-2.289.107	-2.773.924	-5.042.381	-4.632.875	-9.675.256
5 Unrealised loss on investments	169	0	-1.160.248	-1.160.248	-8.476.322	-40.960.009	-49.436.331
6 Net negative exchange rate differences	170	0	0	0	0	0	0
7 Other investment expenses	171	-455.530	-8.144.768	-8.600.298	-1.493.096	-13.408.120	-14.901.216
XII Other technical expenses, net of reinsurance (ADP 173+174)	172	-155.087	-6.975.116	-7.130.203	-148.309	-8.635.961	-8.784.270
1 Expenses of preventive activities	173	0	0	0	0	0	0
2 Other technical expenses of insurance	174	-155.087	-6.975.116	-7.130.203	-148.309	-8.635.961	-8.784.270
XIII Other activities, including value adjustments	175	-4.067	-71.492	-75.559	-3.525	-861.788	-865.313
XIV Profit or loss for the accounting period before tax (+/-) (ADP 118+124+132 to 135+142+149+152+155+164+172+175)	176	15.961.353	83.866.002	99.827.355	16.070.738	104.337.937	120.408.675
XV Profit or loss tax (ADP 178+179)	177	-2.873.044	-12.592.470	-15.465.514	-3.032.847	-19.100.977	-22.133.824
1 Current tax expense	178	-2.873.044	-12.592.470	-15.465.514	-3.032.847	-19.100.977	-22.133.824
2 Deferred tax expense (income)	179	0	0	0	0	0	0
XVI Profit or loss for the accounting period after tax (+/-) (ADP 176+177)	180	13.088.309	71.273.532	84.361.841	13.037.891	85.236.960	98.274.851
1 Attributable to owners of the parent	181	0	0	0	0	0	0
2 Attributable to non-controlling interest	182	0	0	0	0	0	0
XVII TOTAL INCOME (ADP 118+124+132+133+134+179)	183	195.745.447	530.675.372	726.420.819	210.806.114	610.873.648	821.679.762
XVIII TOTAL EXPENSES (ADP 135+142+149+152+155+164+172+175+178)	184	-182.657.138	-459.401.840	-642.058.978	-197.768.223	-525.636.688	-723.404.911
IX Other comprehensive income (ADP 186 to 193)	185	38.605.250	67.457.393	106.062.643	-77.746.915	-151.024.483	-228.771.398
1 Gains/losses arising from translation of financial statements relating to foreign operations	186	0	461	461	0	-204.670	-204.670
2 Gains/losses arising from the revaluation of financial assets available for sale	187	47.079.573	82.264.551	129.344.124	-94.813.311	-183.926.601	-278.739.912
3 Gains/losses arising from the revaluation of land and buildings occupied by an undertaking for its own activities	188	0	0	0	0	0	0
4 Gains/losses arising from the revaluation of other tangible (other than land and property) and intangible assets	189	0	0	0	0	0	0
5 Effects of cash flow hedging instruments	190	0	0	0	0	0	0
6 Actuarial gains/losses on pension plans with defined pensions	191	0	0	0	0	0	0
7 Share in other comprehensive income of associates	192	0	0	0	0	0	0
8 Income tax on other comprehensive income	193	-8.474.323	-14.807.619	-23.281.942	17.066.396	33.106.788	50.173.184
XX Total comprehensive income (ADP 180 +185)	194	51.693.559	138.730.925	190.424.484	-64.709.024	-65.787.523	-130.496.547
1 Attributable to owners of the parent	195	0	0	0	0	0	0
2 Attributable to non-controlling interests	196	0	0	0	0	0	0
XXI Reclassification adjustments	197	0	0	0	0	0	0

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

As at: 31.03.2020

in HRK

Item	ADP code	Last day of the preceding business year			At the reporting date of the current period		
		Life	Non-life	Total	Life	Non-life	Total
1	2	3	4	5(3+4)	6	7	8(6+7)
ASSETS							
A) INTANGIBLE ASSETS (ADP 002 +003)	001	0	36.992.651	36.992.651	0	46.010.765	46.010.765
1 Goodwill	002	0	0	0	0	0	0
2 Other intangible assets	003	0	36.992.651	36.992.651	0	46.010.765	46.010.765
B) TANGIBLE ASSETS (ADP 005 to 007)	004	9.973	641.779.864	641.789.837	9.976	629.667.511	629.677.487
1 Land and buildings occupied by an undertaking for its own activities	005	0	355.254.200	355.254.200	0	351.958.265	351.958.265
2 Equipment	006	9.973	18.585.898	18.595.871	9.976	17.321.175	17.331.151
3 Other tangible assets and inventories	007	0	267.939.766	267.939.766	0	260.388.071	260.388.071
C) INVESTMENTS (ADP 009+010+014+033)	008	3.054.031.686	5.465.347.334	8.519.379.020	2.906.578.621	5.195.044.542	8.101.623.163
I Investments in land and buildings not occupied by an undertaking for its own activities	009	0	367.521.081	367.521.081	0	389.290.178	389.290.178
II Investments in branches, associates and joint ventures (ADP 011 to 013)	010	0	279.110.925	279.110.925	0	367.140.353	367.140.353
1 Shares and holdings in branches	011	0	245.422.632	245.422.632	0	333.452.060	333.452.060
2 Shares and holdings in associates	012	0	5.688.293	5.688.293	0	5.688.293	5.688.293
3 Shares and holdings in joint ventures	013	0	28.000.000	28.000.000	0	28.000.000	28.000.000
III Financial assets (ADP 015+018+023+029)	014	3.054.031.686	4.818.715.328	7.872.747.014	2.906.578.621	4.438.614.011	7.345.192.632
1 Financial assets held to maturity (ADP 016+017)	015	1.228.357.915	944.029.371	2.172.387.286	1.084.117.716	908.075.448	1.992.193.164
1.1 Debt financial instruments	016	1.228.357.915	944.029.371	2.172.387.286	1.084.117.716	908.075.448	1.992.193.164
1.2 Other	017	0	0	0	0	0	0
2 Financial assets available for sale (ADP 019 to 022)	018	1.628.859.849	2.817.918.674	4.446.778.523	1.616.188.841	2.483.184.927	4.099.373.768
2.1 Equity financial instruments	019	24.551.993	498.028.031	522.580.024	22.312.529	410.602.364	432.914.893
2.2 Debt financial instruments	020	1.582.180.361	2.255.225.971	3.837.406.332	1.561.518.870	1.991.373.334	3.552.892.204
2.3 Units in investment funds	021	22.127.495	64.664.672	86.792.167	32.357.442	81.209.229	113.566.671
2.4 Other	022	0	0	0	0	0	0
3 Financial assets at fair value through statement of profit or loss (ADP 024 to 028)	023	589.945	47.661.095	48.251.040	39.283	13.422.593	13.461.876
3.1 Equity financial instruments	024	0	17.070.930	17.070.930	0	13.324.386	13.324.386
3.2 Debt financial instruments	025	0	0	0	0	0	0
3.3 Derivative financial instruments	026	589.945	3.080.534	3.670.479	39.283	98.207	137.490
3.4 Units in investment funds	027	0	27.509.631	27.509.631	0	0	0
3.5 Other	028	0	0	0	0	0	0
4 Loans and receivables (ADP 030 to 032)	029	196.223.977	1.009.106.188	1.205.330.165	206.232.781	1.033.931.043	1.240.163.824
4.1 Deposits with credit institutions	030	144.001.733	540.294.540	684.296.273	147.030.596	527.764.253	674.794.849
4.2 Loans	031	52.222.244	312.837.084	365.059.328	54.128.052	325.984.440	380.112.492
4.3 Other	032	0	155.974.564	155.974.564	5.074.133	180.182.350	185.256.483
IV Deposits with cedants	033	0	0	0	0	0	0
D) INVESTMENTS FOR THE ACCOUNT OF LIFE ASSURANCE POLICYHOLDERS WHO BEAR THE INVESTMENT RISK	034	445.325.559	0	445.325.559	436.607.185	0	436.607.185
E) REINSURANCE AMOUNT IN TECHNICAL PROVISIONS (ADP 036 to 042)	035	25.754	213.507.427	213.533.181	29.089	291.077.686	291.106.775
1 Provisions for unearned premiums, reinsurance amount	036	3.724	42.185.167	42.188.891	12.697	96.477.588	96.490.285
2 Mathematical provision, reinsurance amount	037	22.030	0	22.030	16.392	0	16.392
3 Claims outstanding, reinsurance amount	038	0	171.322.260	171.322.260	0	194.600.098	194.600.098
4 Provisions for bonuses and rebates, reinsurance amount	039	0	0	0	0	0	0
5 Equalization provision, reinsurance amount	040	0	0	0	0	0	0
6 Other technical provisions, reinsurance amount	041	0	0	0	0	0	0
7 Special provisions for life assurance where policyholders bear the investment risk, reinsurance amount	042	0	0	0	0	0	0
F) DEFERRED AND CURRENT TAX ASSETS (ADP 044 +045)	043	2.028.656	66.492.988	68.521.644	2.028.656	76.012.232	78.040.888
1 Deferred tax assets	044	2.028.656	66.492.988	68.521.644	2.028.656	66.492.988	68.521.644
2 Current tax assets	045	0	0	0	0	9.519.244	9.519.244
G) RECEIVABLES (ADP 047+050+051)	046	503.662	854.729.992	855.233.654	634.069	1.024.873.401	1.025.507.470
1 Receivables arising from insurance business (ADP 048+049)	047	235.763	465.705.701	465.941.464	233.576	652.879.327	653.112.903
1.1 From policyholders	048	0	464.918.705	464.918.705	0	652.362.088	652.362.088
1.2 From insurance agents or insurance brokers	049	235.763	786.996	1.022.759	233.576	517.239	750.815
2 Receivables arising from reinsurance business	050	879	46.715.736	46.716.615	1.193	44.631.544	44.632.737
3 Other receivables (ADP 052 to 054)	051	267.020	342.308.555	342.575.575	399.300	327.362.530	327.761.830
3.1 Receivables arising from other insurance operations	052	0	199.851.589	199.851.589	0	196.421.586	196.421.586
3.2 Receivables for investment income	053	262.624	997.458	1.260.082	274.474	729.994	1.004.468
3.3 Other receivables	054	4.396	141.459.508	141.463.904	124.826	130.210.950	130.335.776
H) OTHER ASSETS (ADP 056+060+061)	055	25.003.071	100.317.264	125.320.335	202.454.796	502.536.299	704.991.095
1 Cash at bank and in hand (ADP 057 to 059)	056	25.003.071	100.316.752	125.319.823	202.454.796	502.535.787	704.990.583
1.1 Funds in the business account	057	0	100.316.752	100.316.752	0	502.535.787	502.535.787
1.2 Funds in the account of assets covering mathematical provisions	058	25.003.071	0	25.003.071	202.454.796	0	202.454.796
1.3 Cash in hand	059	0	0	0	0	0	0
2 Fixed assets held for sale and termination of business operations	060	0	0	0	0	0	0
3 Other	061	0	512	512	0	512	512
I) PREPAYMENTS AND ACCRUED INCOME (ADP 063 to 065)	062	0	239.306.560	239.306.560	0	253.622.348	253.622.348
1 Deferred interest and rent	063	0	0	0	0	0	0
2 Deferred acquisition costs	064	0	226.109.778	226.109.778	0	237.322.091	237.322.091
3 Other prepayments and accrued income	065	0	13.196.782	13.196.782	0	16.300.257	16.300.257
J) TOTAL ASSETS (ADP 001+004+008+034+035+043+046+055+062)	066	3.526.928.361	7.618.474.080	11.145.402.441	3.548.342.392	8.018.844.784	11.567.187.176
K) OFF-BALANCE SHEET ITEMS	067	265.956.261	2.518.024.767	2.783.981.028	331.892.529	2.649.364.344	2.981.256.873

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

As at: 31.03.2020

in HRK

Item	ADP code	Last day of the preceding business year			At the reporting date of the current period		
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LIABILITIES							
A) CAPITAL AND RESERVES (ADP 069+072+073+077+081+084)	068	434.798.823	2.913.664.885	3.348.463.708	370.089.799	2.847.908.688	3.217.998.487
1 Subscribed capital (ADP 070 to 071)	069	44.288.720	545.037.080	589.325.800	44.288.720	545.037.080	589.325.800
1.1 Paid in capital - ordinary shares	070	44.288.720	545.037.080	589.325.800	44.288.720	545.037.080	589.325.800
1.2 Paid in capital - preference shares	071	0	0	0	0	0	0
2 Premium on shares issued (capital reserves)	072	0	681.482.525	681.482.525	0	681.482.525	681.482.525
3 Revaluation reserves (ADP 074 to 076)	073	147.994.829	368.660.865	516.655.694	70.247.914	217.493.675	287.741.589
3.1 Land and buildings	074	0	50.470.925	50.470.925	0	50.328.218	50.328.218
3.2 Financial assets available for sale	075	147.994.829	318.189.940	466.184.769	70.247.914	167.165.457	237.413.371
3.3 Other revaluation reserves	076	0	0	0	0	0	0
4 Reserves (ADP 078 to 080)	077	85.295.937	316.742.639	402.038.576	85.295.937	316.742.639	402.038.576
4.1 Legal reserves	078	2.214.436	27.864.354	30.078.790	2.214.436	27.864.354	30.078.790
4.2 Statutory reserve	079	7.581.501	139.638.995	147.220.496	7.581.501	139.638.995	147.220.496
4.3 Other reserves	080	75.500.000	149.239.290	224.739.290	75.500.000	149.239.290	224.739.290
5 Retained profit or loss brought forward (ADP 082 + 083)	081	117.543.395	748.287.005	865.830.400	157.219.337	1.001.915.809	1.159.135.146
5.1 Retained profit	082	117.543.395	748.287.005	865.830.400	157.219.337	1.001.915.809	1.159.135.146
5.2 Loss brought forward (-)	083	0	0	0	0	0	0
6 Profit or loss for the current accounting period (ADP 085+086)	084	39.675.942	253.454.771	293.130.713	13.037.891	85.236.960	98.274.851
6.1 Profit for the current accounting period	085	39.675.942	253.454.771	293.130.713	13.037.891	85.236.960	98.274.851
6.2 Loss for the current accounting period(-)	086	0	0	0	0	0	0
B) SUBORDINATE LIABILITIES	087	0	0	0	0	0	0
C) MINORITY INTEREST	088	0	0	0	0	0	0
D) TECHNICAL PROVISIONS (ADP 090 to 095)	089	2.572.182.413	3.712.920.109	6.285.102.522	2.574.544.021	3.943.997.538	6.518.541.559
1 Provisions for unearned premiums, gross amount	090	4.869.308	1.130.567.020	1.135.436.328	4.909.423	1.350.554.555	1.355.463.978
2 Mathematical provisions, gross amount	091	2.505.680.869	17.908.413	2.523.589.282	2.480.876.166	15.879.502	2.496.755.668
3 Claims outstanding, gross amount	092	61.632.236	2.532.867.656	2.594.499.892	88.758.432	2.563.740.748	2.652.499.180
4 Provisions for bonuses and rebates, gross amount	093	0	7.653.600	7.653.600	0	6.767.200	6.767.200
5 Equalization provision, gross amount	094	0	7.055.533	7.055.533	0	7.055.533	7.055.533
6 Other technical provisions, gross amount	095	0	16.867.887	16.867.887	0	0	0
E) SPECIAL PROVISIONS FOR LIFE ASSURANCE WHERE POLICYHOLDERS BEAR THE INVESTMENT RISK, gross amount	096	445.325.559	0	445.325.559	436.607.185	0	436.607.185
F) OTHER PROVISIONS (ADP 098 + 099)	097	2.930.875	104.301.522	107.232.397	1.849.298	89.635.878	91.485.176
1 Provisions for pensions and similar obligations	098	2.930.875	99.785.773	102.716.648	1.849.298	85.120.129	86.969.427
2 Other provisions	099	0	4.515.749	4.515.749	0	4.515.749	4.515.749
G) DEFERRED AND CURRENT TAX LIABILITIES (ADP 101 + 102)	100	32.486.670	94.182.105	126.668.775	18.453.121	80.144.968	98.598.089
1 Deferred tax liability	101	32.486.670	81.151.686	113.638.356	15.420.274	48.013.572	63.433.846
2 Current tax liability	102	0	13.030.419	13.030.419	3.032.847	32.131.396	35.164.243
H) DEPOSITS HELD UNDER BUSINESS CEDED	103	0	0	0	0	0	0
I) FINANCIAL LIABILITIES (ADP 105 to 107)	104	300.004	271.366.763	271.666.767	98.238.415	500.312.152	598.550.567
1 Loan liabilities	105	0	0	0	0	0	0
2 Liabilities for issued financial instruments	106	0	0	0	0	0	0
3 Other financial liabilities	107	300.004	271.366.763	271.666.767	98.238.415	500.312.152	598.550.567
J) OTHER LIABILITIES (ADP 109 to 112)	108	16.312.651	209.728.027	226.040.678	24.862.899	246.998.262	271.861.161
1 Liabilities from direct insurance business	109	4.067.620	78.960.077	83.027.697	3.557.715	77.116.527	80.674.242
2 Liabilities from coinsurance and reinsurance business	110	21.961	43.692.666	43.714.627	24.471	89.917.687	89.942.158
3 Liabilities for disposal and discontinued operations	111	0	0	0	0	0	0
4 Other liabilities	112	12.223.070	87.075.284	99.298.354	21.280.713	79.964.048	101.244.761
K) ACCRUALS AND DEFERRED INCOME (ADP 114+115)	113	22.591.366	312.310.669	334.902.035	23.697.654	309.847.298	333.544.952
1 Deferred reinsurance commission	114	0	0	0	0	0	0
2 Other accruals and deferred income	115	22.591.366	312.310.669	334.902.035	23.697.654	309.847.298	333.544.952
J) TOTAL LIABILITIES (ADP 068+087+088+089+096+097+100+103+104+108+113)	116	3.526.928.361	7.618.474.080	11.145.402.441	3.548.342.392	8.018.844.784	11.567.187.176
M) OFF-BALANCE SHEET ITEMS	117	265.956.261	2.518.024.767	2.783.981.028	331.892.529	2.649.364.344	2.981.256.873

STATEMENT OF CHANGES IN EQUITY

For the period: 1.1.2020 - 31.03.2020

In HRK										
Item	ADP code	Attributable to owners of the parent							Attributable to non-controlling interest	Total capital and reserves (9+10)
		Paid in capital (ordinary and preference shares)	Premium on shares issued	Revaluation reserves	Reserves (legal, statutory, other)	Retained profit or loss brought forward	Profit/loss for the year	Total capital and reserves (3 to 8)		
1	2	3	4	5	6	7	8	9	10	11
I Balance on the first day of the previous business year	1	589.325.800	681.482.525	273.428.913	402.038.576	594.530.662	270.417.757	2.811.224.233	0	2.811.224.233
Change in accounting policies	2	0	0	0	0	0	0	0	0	0
Correction of errors from prior periods	3	0	0	0	0	0	0	0	0	0
II Balance on the first day of the previous business year (restated)	4	589.325.800	681.482.525	273.428.913	402.038.576	594.530.662	270.417.757	2.811.224.233	0	2.811.224.233
III Comprehensive income or loss for the same period of the previous year (ADP 006 + ADP 007)	5	0	0	243.950.004	0	0	293.130.713	537.080.717	0	537.080.717
Profit or loss for the period	6	0	0	0	0	0	293.130.713	293.130.713	0	293.130.713
2 Other comprehensive income or loss for the same period of the previous year (ADP 008 to ADP 11)	7	0	0	243.950.004	0	0	0	243.950.004	0	243.950.004
Unrealised gains or losses on tangible assets (land and buildings)	8	0	0	544.208	0	0	0	544.208	0	544.208
Unrealised gains or losses on financial assets available for sale	9	0	0	270.441.738	0	0	0	270.441.738	0	270.441.738
Realised gains or losses on financial assets available for sale	10	0	0	-27.005.744	0	0	0	-27.005.744	0	-27.005.744
Other changes in equity unrelated to owners	11	0	0	-30.198	0	0	0	-30.198	0	-30.198
IV Transactions with owners (previous period)	12	0	0	-723.223	0	271.299.738	-270.417.757	158.758	0	158.758
Increase/decrease in subscribed capital	13	0	0	0	0	0	0	0	0	0
Other contributions by owners	14	0	0	0	0	0	0	0	0	0
Payment of share in profit/dividend	15	0	0	0	0	0	0	0	0	0
Other distribution to owners	16	0	0	-723.223	0	271.299.738	-270.417.757	158.758	0	158.758
V Balance on the last day of the previous business year reporting period	17	589.325.800	681.482.525	516.655.694	402.038.576	865.830.400	293.130.713	3.348.463.708	0	3.348.463.708
VI Balance on the first day of the current business year	18	589.325.800	681.482.525	516.655.694	402.038.576	865.830.400	293.130.713	3.348.463.708	0	3.348.463.708
Change in accounting policies	19	0	0	0	0	0	0	0	0	0
Correction of errors from prior periods	20	0	0	0	0	0	0	0	0	0
VII Balance on the first day of the current business year (restated)	21	589.325.800	681.482.525	516.655.694	402.038.576	865.830.400	293.130.713	3.348.463.708	0	3.348.463.708
VIII Comprehensive income or loss for the year	22	0	0	-228.771.398	0	0	98.274.851	-130.496.547	0	-130.496.547
Profit or loss for the period	23	0	0	0	0	0	98.274.851	98.274.851	0	98.274.851
Other comprehensive income or loss for the year	24	0	0	-228.771.398	0	0	0	-228.771.398	0	-228.771.398
Unrealised gains or losses on tangible assets (land and buildings)	25	0	0	0	0	0	0	0	0	0
Unrealised gains or losses on financial assets available for sale	26	0	0	-191.052.806	0	0	0	-191.052.806	0	-191.052.806
Realised gains or losses on financial assets available for sale	27	0	0	-37.513.922	0	0	0	-37.513.922	0	-37.513.922
Other changes in equity unrelated to owners	28	0	0	-204.670	0	0	0	-204.670	0	-204.670
Transactions with owners (current period)	29	0	0	-142.707	0	293.304.746	-293.130.713	31.326	0	31.326
Increase/decrease in subscribed capital	30	0	0	0	0	0	0	0	0	0
Other contributions by owners	31	0	0	0	0	0	0	0	0	0
Payment of share in profit/dividend	32	0	0	0	0	0	0	0	0	0
Other transactions with owners	33	0	0	-142.707	0	293.304.746	-293.130.713	31.326	0	31.326
Balance on the last day of the current year reporting period	34	589.325.800	681.482.525	287.741.589	402.038.576	1.159.135.146	98.274.851	3.217.998.487	0	3.217.998.487

STATEMENT OF CASH FLOWS – indirect method

For the period: 1.1.2020 - 31.03.2020

in HRK			
Item	ADP code	Same period of the previous year	Current business period
1	2	3	4
I Cash flow from operating activities (ADP 002+013+031)	001	-116.179.239	583.234.302
1 Cash flow before changes in operating assets and liabilities (ADP 003+004)	002	59.456.835	140.341.111
1.1 Profit/loss before tax	003	99.827.355	120.408.675
1.2 Adjustments: (ADP 005 to 012)	004	-40.370.520	19.932.436
1.2.1 Depreciation of property and equipment	005	10.128.270	9.929.604
1.2.2 Amortization of intangible assets	006	3.851.373	4.698.157
1.2.3 Impairment and gains/losses on fair valuation	007	-2.134.774	50.746.725
1.2.4 Interest expenses	008	2.122.556	2.351.789
1.2.5 Interest income	009	-53.339.498	-49.587.226
1.2.6 Share in profit of associates	010	0	0
1.2.7 Profit/loss from the sale of tangible assets (including land and buildings)	011	-224.313	553.461
1.2.8 Other adjustments	012	-774.134	1.239.926
2 Increase/decrease in operating assets and liabilities (ADP 014 to 030)	013	-170.074.948	432.412.435
2.1 Increase/decrease in financial assets available for sale	014	-193.907.107	127.296.925
2.2 Increase/decrease in financial assets at fair value through statement of profit or loss	015	126.292.036	-14.586.326
2.3 Increase/decrease in loans and receivables	016	-106.977.544	-9.033.859
2.4 Increase/decrease in deposits with cedants	017	0	0
2.5 Increase/decrease in investments for the account of life assurance policyholders who bear the investment risk	018	-8.376.670	8.718.374
2.6 Increase/decrease in reinsurance amount in technical provisions	019	-47.596.463	-77.573.596
2.7 Increase/decrease in tax assets	020	-5.561.126	-9.519.244
2.8 Increase/decrease in receivables	021	-236.502.562	-167.806.522
2.9 Increase/decrease in other assets	022	0	0
2.10 Increase/decrease in prepayments and accrued income	023	-15.103.479	-14.315.789
2.11 Increase/decrease in technical provisions	024	245.003.169	233.439.036
2.12 Increase/decrease in special provisions for life assurance where policyholders bear the investment risk	025	8.376.670	-8.718.374
2.13 Increase/decrease in tax liabilities	026	5.561.126	9.519.244
2.14 Increase/decrease in deposits held under reinsurance business ceded	027	0	0
2.15 Increase/decrease in financial liabilities	028	22.410.113	326.276.381
2.16 Increase/decrease in other liabilities	029	25.075.626	30.073.262
2.17 Increase/decrease in accruals and deferred income	030	11.231.263	-1.357.077
3 Income tax paid	031	-5.561.126	-9.519.244
II CASH FLOW FROM INVESTING ACTIVITIES (ADP 033 to 046)	032	-84.033.253	107.166.140
1 Cash receipts from the sale of tangible assets	033	433.920	27.495
2 Cash payments for the purchase of tangible assets	034	-2.642.359	-17.138.717
3 Cash receipts from the sale of intangible assets	035	0	0
4 Cash payments for the purchase of intangible assets	036	-4.727.981	-13.716.270
5 Cash receipts from the sale of land and buildings not occupied by an undertaking for its own activities	037	5.527.884	300.068
6 Cash payments for the purchase of land and buildings not occupied by an undertaking for its own activities	038	-310.000	-353.008
7 Increase/decrease of investments in branches, associates and joint ventures.	039	0	-88.029.427
8 Cash receipts from financial assets held to maturity	040	39.127.103	334.881.932
9 Cash payments for financial assets held to maturity	041	-140.910.320	-102.751.198
10 Cash receipts from the sale of financial instruments	042	0	0
11 Cash payments for investments in financial instruments	043	0	0
12 Cash receipts from dividends and share in profit	044	795.827	951.348
13 Cash receipts from repayments of short-term and long-term loans given	045	24.653.431	18.079.620
14 Cash payments for short-term and long-term loans	046	-5.980.758	-25.085.703
III CASH FLOW FROM FINANCING ACTIVITIES (ADP 048 to 052)	047	-3.814.801	-4.730.658
1 Cash receipts resulting from the increase of initial capital	048	0	0
2 Cash receipts from short-term and long-term loans received	049	0	0
3 Cash payments for the repayment of short-term and long-term loans received	050	-3.814.801	-4.730.658
4 Cash payments for the redemption of treasury shares	051	0	0
5 Cash payments of share in profit (dividend)	052	0	0
NET CASH FLOW (ADP 001 + 032 + 047)	053	-204.027.293	665.669.784
IV EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS	054	-6.209.945	-85.999.024
V NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (053+054)	055	-210.237.238	579.670.760
Cash and cash equivalents at the beginning of period	056	355.640.455	125.320.335
Cash and cash equivalents at the end of period (ADP 055 + 056)	057	145.403.217	704.991.095

II. QUARTERLY MANAGEMENT REPORT

CROATIA osiguranje d.d. is still the leading company on the market of the Republic of CROATIA with a total market share of 28.1 percent.

In the period observed, CROATIA osiguranje d.d. reported profit before tax in the amount of HRK 120.4m and profit after tax in the amount of HRK 98.3m which represents an increase of 20.6 percent and 16.5 percent, respectively, compared to the same period of the previous year.

Earned premium, which represents 72.7 percent of total revenues, amounted to HRK 597.8m and decreased by 1.6 percent compared to the same period of the previous year. Total gross written premium decreased by 4.7 percent and amounted to HRK 857.3m. Gross written premium of non-life insurance amounted to HRK 741.7m and increased by 0.5 percent compared to the same period of the previous year. Gross written premium of the life insurance amounted to HRK 115.7m representing a decrease of 28.4 percent.

Investments recorded income in the amount of HRK 208.7m, representing an increase of 104.3 percent compared to the same period of the previous year. Income from investments represents 25.4 percent of total revenues. Expenses from investments amounted to HRK 79.9m and represent 11.4 percent of total expenses.

Net claims incurred represent 68 percent of total expenses and amounted to HRK 477.1m, representing an increase of 40.2 percent compared to the same period of the year 2019.

Acquisition and administration expenses amounted to HRK 185.5m, decreasing by 9.8 percent compared to the same period of the previous year.

Total assets of the Company as at 31.03.2020 amounted to HRK 11.6 billion, which represents an increase of 3.8 percent compared to 31.12.2019.

Technical reserves as at 31.03.2020 amounted to HRK 6.5 billion, representing an increase of 3.7 percent compared to 31.12.2019.

The following is a summary of key indicators for the period observed:

Key performance indicators	31.03.2019	31.03.2020	Change in percentage points (p.p.)
Claims ratio (non-life) *	52.6%	54.0%	1.4%
Cost ratio (non-life) **	41.4%	35.0%	-6.4%
Combined ratio (non-life)	94.0%	89.0%	-5.0%
Net profit margin	11.6%	12.0%	0.4%

* *Claims ratio = (Income from commissions and fees + Other insurance-technical income + Net Claims incurred + Change in mathematical provisions and other technical provisions, net of reinsurance + Change in technical life insurance provisions where the policy holder bears the investment risk, net of reinsurance + Cost for premium returns (bonuses and rebates), net of reinsurance + Other technical expenses, net of reinsurance) / Net Earned premiums*

** *Cost ratio = Operating expenses (business expenditures) / Net Earned premiums*

The combined ratio, as the most important performance indicator for non-life insurance, amounted to 89 percent for the observed period, which is an improvement of 5 percentage points compared to the same period of 2019.

Unaudited unconsolidated financial statements for the first quarter of the year 2019 will be available on the web sites of CROATIA osiguranje d.d., Zagreb Stock Exchange and Officially appointed mechanism for the central storage of regulated information.

Significant business events in the reporting period

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

The Croatian Financial Services Supervisory Agency (HANFA), at its meeting of the Governing Board held on 5 March 2020, issued a resolution authorising Vančo Balen to act as a member of the Management Board of CROATIA osiguranje d.d. for a term of office until 31 December 2022 beginning on the date of appointment to the function.

Also, at the meeting of the Governing Board held on 12 March 2020, HANFA issued a resolution authorising Robert Vučković to act as a member of the Management Board of CROATIA osiguranje d.d. for a term of office until 31 December 2022, beginning on the date of appointment to the function.

Furthermore, at the meeting of the Governing Board held on 9 April 2020, HANFA issued a resolution authorizing Luka Babić to act as a member of the Management Board of CROATIA osiguranje d.d. for a term of office until 31 December 2022, beginning on the date of appointment to the function.

At its meeting held on April 17, 2020, the Supervisory Board appointed members of the Management Board to the mentioned functions.

Impact of the COVID-19 outbreak on the Company's operations

The existence of the coronavirus (COVID-19) was confirmed in early 2020 and spread to mainland China and beyond, and in late February 2020 to Croatia, causing disruption in business and economic activities.

From the information available at the time of preparation of these financial statements and based on numerous publicly available macroeconomic projections, an economic slowdown is likely during 2020, which may result in lower consumption and consequently lower demand for insurance services, since the volume of insurance premiums written is linked to GDP trends.

In addition, the Company has identified the following key areas that could be affected by adverse economic conditions:

- volatility of comprehensive income from investments, as a result of developments on the financial markets,
- increased credit risk and increased impairment provisions for insurance receivables,
- increased number of life insurance policy surrenders.

Based on currently available information, the Company cannot reliably estimate the amount of potential losses that would result from the direct impact of COVID-19. However, as part of its own risk and solvency assessment (ORSA) process, a series of stress tests, sensitivity and scenario analyses were conducted, and it is estimated that these analyses covered the risks that could have a significant impact on the Company and in the case of COVID-19. Although, based on analyses performed in the ORSA process, a certain decrease in the solvency ratio is expected, the ratio should remain at levels significantly higher than the regulatory prescribed and the solvency of the Company should in no way be called into question.

The Company will continue to actively monitor the development of the COVID-19 outbreak and if it should be considered to significantly affect the Company's business and financial position in 2020, it will fully comply with the Capital Market Act.

Earthquake in the area of the City of Zagreb

On 22 March 2020, a series of earthquakes were recorded in the area of the City of Zagreb, the strongest being of a magnitude of 5.5 according to the Richter scale. In some insurance contracts, the Company also provides insurance for earthquake insurance risk. Until the date of this report, the amount of damage caused by this event is still being estimated. The Company has adequate reinsurance coverage and will recover a significant portion of claims through reinsurance contracts. Therefore, the impact on the financial result and financial position of the Company will be significantly less than the total amount of claims to be determined. The Company also has high solvency and liquidity levels, which enables it to operate normally in these circumstances.

HANFA's Decision regarding prohibition of dividend payment

The Governing Board of HANFA, at its session held on 26 March 2020, adopted a decision prohibiting CROATIA osiguranje d.d., Zagreb, payment of dividends until 30 April 2021.

Such a decision was made for insurance companies in the Republic of Croatia due to exceptional market circumstances, with the aim of ensuring stable operations of insurance companies and maintaining the stability of the financial system. Also, the regulator's intention is to strength the liquidity of insurance companies in the context of the coronavirus pandemic, but also in light of the recent earthquake in the capital city of the Republic of Croatia.

Significant events after the end of the reporting date

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

Company branch

As at 31 March 2020 the Company has one registered branch (Branch Ljubljana). In its legal transactions, the branch operates as CROATIA osiguranje d.d. branch Ljubljana, in the Croatian language, and as CROATIA ZAVAROVANJE d.d. branch Ljubljana, in the Slovenian language.

Purchase of treasury shares

The Company does not own treasury shares, and the General Assembly did not authorise the Company to acquire treasury shares.

Expected development in the future

With a focus on digitalization, CROATIA osiguranje will continue to work as a market leader in further developing the overall insurance market in Croatia. This especially relates to the further development of casco, travel, health and property insurance, and step forward in product creation, sales network organization and customer experience.

The Company continues with continuous improvement in all business segments with the aim of strengthening the leading position on the Croatian market. Key business improvement activities include:

- Introduction of new products and improvement of existing ones according to customer needs
- Continued sales force strengthening activities with the aim of growth in the profitable retail segment and the segment of small and medium-sized businesses
- Further improvement in processes with the aim of providing the best customer service.

In the forthcoming period, the goal is to continue the best practice of transferring operational excellence from the parent to subsidiaries in the region. New sources of growth in the future are combinations of organic and acquisition activities. New acquisitions are aimed at strengthening the insurance business and further development of healthcare offering in addition to using the synergies arising from the insurance offer.

Research and development activities

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

We conduct trends and developments in highly developed insurance markets with a focus on the EU. Also, we conduct market research activities regularly with the goal of better understanding the existing market needs and creating products that will adequately respond to them. In this way, we connect the relevant worldwide insurance products with the needs of clients in Croatia. We also introduce new and innovative products that will ensure long-term growth and retaining the Company's leading market position.

During product development, our focus is on creating products with quality insurance coverage and on the service that we provide. Special emphasis is placed on quality and available service which will adequately cover risks with which our clients are faced. We monitor trends and continuously implement the latest technology solutions as well as numerous innovations to ensure customer satisfaction. Customer satisfaction is continually monitored, and we respond to all challenges we face.

Description of the most significant risks and uncertainties

In relation to the most significant risks and uncertainties which were described in the audited financial statements for the year 2019, in the period observed there were no significant changes in relation to the risks to which the Company is exposed in the course of its business, except as described in the note *Significant business events in the reporting period*.

Zagreb, 28 April 2020


Member of the Management Board
Luka Babić


President of the Management Board
Davor Tomašković



III. NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD I-III 2020

1. GENERAL INFORMATION ON THE COMPANY

CROATIA osiguranje d.d., Zagreb, Vatroslava Jagića 33 (the 'Company') is registered in the Court Register of the Commercial Court in Zagreb under the Company's Court Reg. No. ("MBS") 080051022 and PIN ("OIB") 26187994862. The Company's principal activity is non-life and life insurance business and reinsurance business in the non-life insurance group.

The Company also performs the following activities, which are directly or indirectly related to insurance business, as follows:

- Mediation in the sale or sale of items belonging to the Company based on performing insurance business,
- Taking measures to prevent and eliminate hazards that endanger the insured property and persons,
- Assessment of the degree of the risk exposure of insured facility and claim assessment,
- Performing other intellectual and technical services relating to insurance business,
- Credit intermediation operations in accordance with the regulations governing credit intermediaries.

Supervisory Board and Management Board

According to the Company Act, Insurance Act and the Articles of Association of the Company the Company's bodies are the General Assembly, the Supervisory Board and the Management Board.

Members of the Supervisory Board are:

Roberto Škopac	President
Dr.sc. Željko Lovrinčević	Vice President
Vitomir Palinec	Member
Damir Vanđelić	Member
Hrvoje Patajac	Member
Vlasta Pavličević	Member

Members of the Management Board are:

Davor Tomašković	President
Robert Vučković	Member
Miroslav Klepač	Member until 17 April 2020
Luka Babić	Member since 18 April 2020
Vančo Balen	Member since 18 April 2020

Share capital and shares

The Company's share capital with a nominal value of 601.575.800 as at 31 March 2020 is divided among 429.697 shares with a nominal value of HRK 1,400. The shares are marked as follows:

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

Each share, ordinary and preference, provides the right to 1 (one) vote at the Company's General Assembly. All shares are paid in full, issued in dematerialized form, are transferable and are managed at the central depository of the Central Depository & Clearing Company.

2. Basis of preparation of financial statements

Financial statements are prepared in accordance with the Company's Act (Official Gazette 65/18, 17/20), International Financial Reporting Standards ('IFRS') as adopted in the European Union, the Rules of Zagreb Stock Exchange and the Ordinance on the structure and content of periodic financial reports for issuers during the year, which is issued by the Croatian Financial Services Supervisory Agency.

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

Presentation currency

Company's financial statements are prepared in the Croatian kuna as the functional and presentation currency.

Use of estimates and judgements

Preparation of financial statements in conformity with IFRS requires the Management Board to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, and information available at the date of preparation of financial statements, the results of which form the basis of making the judgements about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Changes of accounting estimates are recognised from the period in which an estimate is revised.

Accounting policies

Accounting policies which are used in the preparation of financial statements for the reporting period are the same as the accounting policies which are used for preparation of the audited financial statements for the year 2019.

Except for usual related party transactions of goods and services in the current reporting period, on 31 March 2020, the Company signed a purchase agreement with the Company HUP-ZAGREB d.d. for the acquisition of a 100 percent share in ASTORIA d.o.o., headquartered in Zagreb, 9 Krešimir Ćosić Square.

MANAGEMENT BOARD STATEMENT

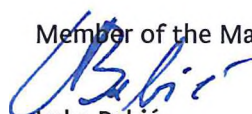
Pursuant to article 20 of the Articles of Association of the Company from 26 February 2020 and article 468 of the Capital Market Law (Official Gazette 65/18, 17/20), the Management Board provides this

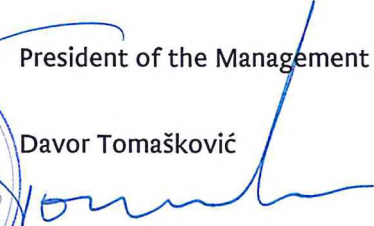
STATEMENT

That to the best of our knowledge:

- the set of quarterly unaudited financial statements of the issuer for the period 1.1. – 31.03.2020, prepared by using applicable financial reporting standards, gives a true and fair view of assets and liabilities, the financial position and profit or loss of the issuer,
- the management report presents an objective view of the development and business results and position of the issuer with description of significant risks and uncertainties to which the issuer is exposed.

Zagreb, 28 April 2020

Member of the Management Board

Luka Babić

President of the Management Board

Davor Tomašković

