

**UNCONSOLIDATED UNAUDITED
HALF-YEAR REPORT,
FOR THE PERIOD
1 January 2024 – 30 June 2024**

Zagreb, July 2024

This document is a translation of the original Croatian version and is intended to be used for informational purposes only. While every effort has been made to ensure the accuracy and completeness of the translation, please note that the Croatian original is binding.

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I. UNAUDITED FINANCIAL STATEMENTS

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ISSUER'S GENERAL DATA		
Reporting period:	1.1.2024	to 30.6.2024
Year:	2024	
Quarter:	2	
Quarterly financial statements		
Registration number (MB):	03276147	Issuer's home Member State: HR
Entity's registration number:	080051022	
Personal identification number (OIB):	26187994862	LEI: 74780000M0GHQ1VXJU20
Institution code:	199	
Name of the issuer:	CROATIA osiguranje d.d.	
Postcode and town:	10 000	ZAGREB
Street and house number:	Vatroslava Jagića 33	
E-mail address:	info@crosig.hr	
Web address:	www.crosig.hr	
Number of employees (end of the reporting period):	2324	
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:	Jelena Matijević (only name and surname of the contact person)	
Telephone:	072 00 1884	
E-mail address:	izdavatelj@crosig.hr	
Audit firm:	(name of the audit firm)	
Certified auditor:	(name and surname)	

STATEMENT OF COMPREHENSIVE INCOME

(STATEMENT OF PROFIT OR LOSS)

For the period: 1.1.2024 - 30.6.2024

in EUR

Item number	Sum elements	Identifier	Item	Cumulative						Quarter					
				Previous accounting period			Current accounting period			Previous accounting period			Current accounting period		
				Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total
001	002 + 003 + 004	I	Income from insurance contracts	2.947.595	180.201.467	183.149.062	3.617.459	204.191.158	207.808.617	1.452.835	95.657.918	97.110.753	1.777.750	106.179.903	107.957.653
002		1	General measurement model	2.865.350	1.460.604	4.325.954	3.544.211	1.416.826	4.961.037	1.430.993	732.339	2.163.332	1.761.006	712.970	2.473.976
003		2	Variable fee approach	82.245	0	82.245	73.248	0	73.248	21.842	0	21.842	16.744	0	16.744
004		3	Premium allocation approach	0	178.740.863	178.740.863	0	202.774.332	202.774.332	0	94.925.579	94.925.579	0	105.466.933	105.466.933
005	006+007+...+012	II	Expenditure from insurance contracts	-583.743	-160.681.904	-161.265.647	-1.227.354	-187.665.962	-188.893.316	-820.288	-89.243.526	-90.063.814	-771.412	-100.573.778	-101.345.190
006		1	Claims incurred	-591.843	-105.457.347	-106.049.190	-459.083	-120.958.077	-121.417.160	28.274	-55.585.985	-55.557.711	-121.858	-66.311.186	-66.433.044
007		2	Commissions	-131.770	-17.874.813	-18.006.583	-226.422	-19.575.930	-19.802.352	-72.924	-9.418.778	-9.491.702	-123.017	-10.119.520	-10.242.537
008		3	Other expenses related to the sale of insurance	0	-18.526.977	-18.526.977	0	-20.371.606	-20.371.606	0	-10.710.536	-10.710.536	0	-11.615.703	-11.615.703
009		4	Other insurance service expenses	-1.087.250	-29.580.184	-30.667.434	-906.408	-28.742.749	-29.649.157	-542.123	-14.720.320	-15.262.443	-452.009	-14.375.335	-14.827.344
010		5	Depreciation of insurance acquisition costs	0	0	0	0	0	0	0	0	0	0	0	
011		6	Losses and reversal of losses on onerous contracts	1.699.682	-397.960	1.301.722	-17.333	897.973	880.640	-50.782	-249.530	-300.312	-8.444	384.085	375.641
012		7	Change in liabilities for claims incurred	-472.562	11.155.377	10.682.815	381.892	1.084.427	1.466.319	-182.733	1.441.623	1.258.890	-66.084	1.463.881	1.397.797
013	014 + 015	III	Net result of (passive) reinsurance contracts	-586	-14.165.985	-14.166.571	-36	-6.151.156	-6.151.192	-219	-7.931.046	-7.931.265	-37	-3.504.238	-3.504.275
014		1	Income from (passive) reinsurance contracts	0	8.544.989	8.544.989	0	19.873.441	19.873.441	0	4.093.062	4.093.062	0	10.408.849	10.408.849
015		2	Expenditure from (passive) reinsurance contracts	-586	-22.710.974	-22.711.560	-36	-26.024.597	-26.024.633	-219	-12.024.108	-12.024.327	-37	-13.913.087	-13.913.124
016	001 + 005 + 013	IV	Result from insurance contracts	2.363.266	5.353.578	7.716.844	2.390.069	10.374.040	12.764.109	632.328	-1.516.654	-884.326	1.006.301	2.101.887	3.108.188
017	018 + 023 + 024 + 025 + 026 + 027 + 031 + 032 + 033 + 034	V	Net investment result	6.035.840	23.074.254	29.110.094	6.790.482	31.068.640	37.859.122	2.960.600	15.899.371	18.859.971	3.170.590	22.348.419	25.519.009
018	019 + 020 + 021 + 022	1	Net result from investment in land and buildings	0	2.005.328	2.005.328	0	2.010.050	2.010.050	0	910.438	910.438	0	1.004.963	1.004.963
019		1.1.	Rental gains/losses (net)	0	1.835.818	1.835.818	0	2.010.050	2.010.050	0	921.358	921.358	0	1.004.963	1.004.963
020		1.2.	Realised gains/losses (net) from property not for own use	0	169.510	169.510	0	0	0	0	-10.920	-10.920	0	0	
021		1.3.	Unrealised gains/losses (net) from property not for own use	0	0	0	0	0	0	0	0	0	0	0	
022		1.4.	Depreciation of land and buildings not occupied by an undertaking for its own activities	0	0	0	0	0	0	0	0	0	0	0	
023		2	Interest revenue calculated using the effective interest rate method	5.010.504	7.372.083	12.382.587	4.803.656	8.708.028	13.511.684	2.491.567	3.865.652	6.357.219	2.315.232	4.279.802	6.595.034
024		3	Other interest income	67.481	567.095	634.576	0	40.707	40.707	33.862	261.241	295.103	0	11.659	11.659
025		4	Dividend income	233.985	11.521.862	11.755.847	395.295	18.797.380	19.192.675	163.124	10.111.614	10.274.738	321.638	17.344.262	17.665.900
026		5	Unrealised gains/losses (net) from financial assets at fair value through profit or loss	392.801	2.213.403	2.606.204	822.554	701.181	1.523.735	196.512	1.106.198	1.302.710	140.371	-62.455	77.916
027	028 + 029 + 030	6	Realised gains/losses	151.767	416.248	568.015	204.155	1.123.554	1.327.709	35.987	289.231	325.218	301.939	230.403	532.342
028		6.1.	Realised gains/losses (net) from financial assets at fair value through profit or loss	28.116	218.759	246.875	406.911	2.021.870	2.428.781	14.840	187.674	202.514	301.939	1.470.268	1.772.207
029		6.2.	Realised gains/losses (net) from financial assets at fair value through other comprehensive income	123.651	197.489	321.140	-202.756	-898.316	-1.101.072	21.147	101.557	122.704	0	-1.239.865	-1.239.865
030		6.3.	Other realised gains/losses (net)	0	0	0	0	0	0	0	0	0	0	0	
031		7	Net impairment / reversal of impairment of investments	292.494	606.208	898.702	23.245	64.576	87.821	-9.778	197.191	187.413	6.989	-133.460	-126.471
032		8	Net exchange rate differences	-93.531	-640.938	-734.469	191.289	646.218	837.507	-25.649	-90.737	-116.386	64.550	179.998	244.548
033		9	Other income from investments	30.850	18.280	49.130	399.087	82.331	481.418	101.367	-46.518	54.849	44.283	68.667	112.950
034		10	Other expenditure from investments	-50.511	-1.005.315	-1.055.826	-48.799	-1.105.385	-1.154.184	-26.392	-704.939	-731.331	-24.412	-575.420	-599.832

STATEMENT OF COMPREHENSIVE INCOME
(STATEMENT OF PROFIT OR LOSS)
For the period: 1.1.2024 - 30.6.2024

in EUR

Item number	Sum elements	Identifier	Item	Cumulative						Quarter					
				Previous accounting period			Current accounting period			Previous accounting period			Current accounting period		
				Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total
035	036 + 037 + 038	VI	Net financial expenditure from insurance and (passive) reinsurance contracts	-441.015	-1.308.436	-1.749.451	-1.476.821	-1.983.764	-3.460.585	-82.931	-686.613	-769.544	-325.731	-1.086.452	-1.412.183
036		1	Net financial income/expenditure from insurance contracts	-441.016	-1.425.541	-1.866.557	-1.476.821	-2.352.430	-3.829.251	-82.931	-722.207	-805.138	-325.731	-1.270.976	-1.596.707
037		2	Net financial income/expenditure from (passive) reinsurance contracts	1	117.105	117.106	0	368.666	368.666	0	35.594	35.594	0	184.524	184.524
038		3	Change of liability for investment contracts	0	0	0	0	0	0	0	0	0	0	0	0
039		VII	Other income	8.385	3.859.430	3.867.815	341	3.389.970	3.390.311	5.005	2.509.474	2.514.479	-415	2.177.097	2.176.682
040		VIII	Other operating expenses	-127.812	-6.213.691	-6.341.503	-81.619	-5.191.899	-5.273.518	-96.865	-4.107.461	-4.204.326	-51.702	-1.623.953	-1.675.655
041		IX	Other financial expenses	-17.649	-602.596	-620.245	-14.567	-618.665	-633.232	-8.946	-301.749	-310.695	-7.315	-315.778	-323.093
042		X	Share of profit of companies consolidated using equity method, net of tax	0	0	0	0	0	0	0	0	0	0	0	0
043	001+005+013+016+017+035+039+040+041+042	XI	Profit or loss of the accounting period before tax (+/-)	7.821.015	24.162.539	31.983.554	7.607.885	37.038.322	44.646.207	3.409.191	11.796.368	15.205.559	3.791.728	23.601.220	27.392.948
044	045 + 046	XII	Tax on profit or loss	-1.395.283	-2.285.933	-3.681.216	-1.345.649	-3.356.611	-4.702.260	-601.155	-316.610	-917.765	-658.741	-1.202.234	-1.860.975
045		1	Current tax expense	-1.395.283	-2.291.524	-3.686.807	-1.345.649	-3.362.087	-4.707.736	-601.155	-319.458	-920.613	-658.741	-1.204.970	-1.863.711
046		2	Deferred tax expense/ income	0	5.591	5.591	0	5.476	5.476	0	2.848	2.848	0	2.736	2.736
047	043+ 044	XIII	Profit or loss of the accounting period after tax (+/-)	6.425.732	21.876.606	28.302.338	6.262.236	33.681.711	39.943.947	2.808.036	11.479.758	14.287.794	3.132.987	22.398.986	25.531.973
048		1	Attributable to owners of the parent	0	0	0	0	0	0	0	0	0	0	0	0
049		2	Attributable to non-controlling interest	0	0	0	0	0	0	0	0	0	0	0	0
050	051 + 056	XIV	Other comprehensive income	-7.507.012	1.201.162	-6.305.850	1.759.908	20.665.111	22.425.019	-746.852	176.265	-570.587	46.327	6.508.148	6.554.475
051	052 + 053 + 054 + 055	1	Items that will not be reclassified to statement of profit or loss	777.104	7.456.190	8.233.294	1.645.416	19.321.288	20.966.704	417.215	4.535	421.750	850.305	6.613.151	7.463.456
052		1.1.	Net change in fair value of equity securities (OCI)	947.688	9.092.915	10.040.603	2.006.605	23.562.547	25.569.152	508.799	-4.402	504.397	1.036.958	8.064.819	9.101.777
053		1.2.	Actuarial gains/losses on defined benefit pension plans	0	0	0	0	0	0	0	0	0	0	0	0
054		1.3.	Other	0	0	0	0	0	0	0	0	0	0	0	0
055		1.4.	Tax	-170.584	-1.636.725	-1.807.309	-361.189	-4.241.259	-4.602.448	-91.584	8.937	-82.647	-186.653	-1.451.668	-1.638.321
056	057 + 058 + ... + 063	2	Items that are, or may be, reclassified to statement of profit or loss	-8.284.116	-6.255.028	-14.539.144	114.492	1.343.823	1.458.315	-1.164.067	171.730	-992.337	-803.978	-105.003	-908.981
057		2.1.	Net change in fair value of debt securities (OCI)	761.374	959.007	1.720.381	-313.006	530.211	217.205	929.377	2.108.720	3.038.097	-240.803	498.144	257.341
058		2.2.	Exchange rate differences from translation of foreign operations	0	0	0	0	0	0	0	0	0	0	0	0
059		2.3.	Effects of hedging instruments	0	0	0	0	0	0	0	0	0	0	0	0
060		2.4.	Net financial income/expenditure from insurance contracts	-10.863.965	-8.980.142	-19.844.107	452.630	1.397.317	1.849.947	-2.348.973	-2.078.473	-4.427.446	-739.658	-802.801	-1.542.459
061		2.5.	Net financial income/expenditure from (passive) reinsurance contracts	10	392.691	392.701	0	-287.740	-287.740	2	176.725	176.727	0	177.209	177.209
062		2.6.	Other	0	0	0	0	0	0	0	0	0	0	0	0
063		2.7.	Tax	1.818.465	1.373.416	3.191.881	-25.132	-295.965	-321.097	255.527	-35.242	220.285	176.483	22.445	198.928
064	047+ 050	XV	Total comprehensive income	-1.081.280	23.077.768	21.996.488	8.022.144	54.346.822	62.368.966	2.061.184	11.656.023	13.717.207	3.179.314	28.907.134	32.086.448
065		1	Attributable to owners of the parent	0	0	0	0	0	0	0	0	0	0	0	0
066		2	Attributable to non-controlling interest	0	0	0	0	0	0	0	0	0	0	0	0
067		XVI	Reclassification adjustments	0	0	0	0	0	0	0	0	0	0	0	0

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

As at: 30.6.2024

in EUR

Item number	Sum elements	Identifier	Item	Last day of the preceding business year			At the reporting date of the current period		
				Life	Non-life	Total	Life	Non-life	Total
001	002+003	I	INTANGIBLE ASSETS	0	15.767.439	15.767.439	0	15.246.979	15.246.979
002		1	Goodwill	0	0	0	0	0	0
003		2	Other intangible assets	0	15.767.439	15.767.439	0	15.246.979	15.246.979
004	005+006+007	II	TANGIBLE ASSETS	1.874	62.695.828	62.697.702	1.874	61.290.780	61.292.654
005		1	Land and buildings occupied by an undertaking for its own activities	0	25.693.150	25.693.150	0	25.103.905	25.103.905
006		2	Equipment	1.865	3.252.574	3.254.439	1.865	2.663.301	2.665.166
007		3	Other tangible assets and inventories	9	33.750.104	33.750.113	9	33.523.574	33.523.583
008	009+010+011+012+013+014	III	INVESTMENTS	414.536.145	911.326.804	1.325.862.949	364.247.026	916.587.746	1.280.834.772
009		A	Investments in land and buildings not occupied by an undertaking for its own activities	0	67.925.833	67.925.833	0	70.940.883	70.940.883
010	011+012+013	B	Investments in subsidiaries, associates and joint ventures	0	54.530.904	54.530.904	0	65.629.168	65.629.168
011		1	Shares and holdings in subsidiaries	0	50.814.665	50.814.665	0	61.912.929	61.912.929
012		2	Shares and holdings in associates	0	0	0	0	0	0
013		3	Shares and holdings in joint ventures	0	3.716.239	3.716.239	0	3.716.239	3.716.239
014	015+016+017+018+019	C	Financial assets	414.536.145	788.870.067	1.203.406.212	364.247.026	780.017.695	1.144.264.721
015	016 + 017 + 018 + 019	1	Financial assets at amortised cost	154.503.708	240.561.618	395.065.326	133.821.591	251.803.711	385.625.302
016		1.1	Debt financial instruments	149.614.053	135.454.920	285.068.973	127.240.312	127.856.908	255.097.220
017		1.2	Deposits with credit institutions	2.305.593	51.209.284	53.514.877	4.047.250	49.585.789	53.633.039
018		1.3	Loans	2.584.062	40.568.705	43.152.767	2.534.029	61.817.253	64.351.282
019		1.4	Other	0	13.328.709	13.328.709	0	12.543.761	12.543.761
020	021 + 022 + 023 + 024	2	Financial assets at fair value through other comprehensive income	200.697.053	472.000.910	672.697.963	193.566.766	440.937.285	634.504.051
021		2.1	Equity financial instruments	13.239.174	125.573.254	138.812.428	15.245.779	154.738.492	169.984.271
022		2.2	Debt financial instruments	187.457.879	346.427.656	533.885.535	178.320.987	286.198.793	464.519.780
023		2.3	Units in investment funds	0	0	0	0	0	0
024		2.4	Other	0	0	0	0	0	0
025	026 + 027 + ... + 030	3	Financial assets at fair value through profit and loss account	59.335.384	76.307.539	135.642.923	36.858.669	87.276.699	124.135.368
026		3.1	Equity financial instruments	0	387.390	387.390	0	1.470.990	1.470.990
027		3.2	Debt financial instruments	0	10.963.850	10.963.850	0	18.084.160	18.084.160
028		3.3	Units in investment funds	59.238.385	64.567.129	123.805.514	36.804.309	67.363.993	104.168.302
029		3.4	Derivative financial instruments	96.999	389.170	486.169	33.275	98.641	131.916
030		3.5	Other	0	0	0	21.085	258.915	280.000
031	032 + 036 + 040	IV	ASSETS FROM INSURANCE CONTRACTS	0	16.997.313	16.997.313	7.478	12.670.425	12.677.903
032	034+035+036	1	General measurement model	0	13.311.689	13.311.689	7.478	12.670.425	12.677.903
033		1.1	- Assets for remaining coverage	0	-1.477.798	-1.477.798	7.478	-1.390.442	-1.382.964
034		1.2	- Assets for insurance acquisition cash flows	0	0	0	0	0	0
035		1.3	- Assets from claims incurred	0	14.789.487	14.789.487	0	14.060.867	14.060.867
036	037+038+039	2	Variable fee approach	0	0	0	0	0	0
037		2.1	- Assets for remaining coverage	0	0	0	0	0	0
038		2.2	- Assets for insurance acquisition cash flows	0	0	0	0	0	0
039		2.3	- Assets from claims incurred	0	0	0	0	0	0
040	041+042+043	3	Premium allocation approach	0	3.685.624	3.685.624	0	0	0
041		3.1	- Assets for remaining coverage	0	6.049.909	6.049.909	0	0	0
042		3.2	- Assets for insurance acquisition cash flows	0	0	0	0	0	0
043		3.3	- Assets from claims incurred	0	-2.364.285	-2.364.285	0	0	0
044		V	ASSETS FROM REINSURANCE CONTRACTS	0	49.916.652	49.916.652	1	51.459.445	51.459.446
045	046 + 047	VI	DEFERRED AND CURRENT TAX ASSETS	458.066	8.121.850	8.579.916	458.066	12.551.827	13.009.893
046		1	Deferred tax assets	458.066	8.121.850	8.579.916	458.066	8.121.850	8.579.916
047		2	Current tax assets	0	0	0	0	4.429.977	4.429.977
048		VII	OTHER ASSETS	136.525	31.467.371	31.603.896	438.153	47.012.913	47.451.066
049	050 + 051 + 052	1	CASH AT BANK AND IN HAND	75.348	1.587.146	1.662.494	257.339	4.933.441	5.190.780
050		1.1	Funds in the business account	0	1.587.146	1.587.146	0	4.933.441	4.933.441
051		1.2	Funds in the account of assets covering liabilities from life insurance contracts	75.348	0	75.348	257.339	0	257.339
052		1.3	Cash in hand	0	0	0	0	0	0
053		2	Fixed assets held for sale and discontinued operations	0	0	0	0	0	0
054		3	Other	61.177	29.880.225	29.941.402	180.814	42.079.472	42.260.286
055	001+004+008+031+04	VIII	TOTAL ASSETS	415.132.610	1.096.293.257	1.511.425.867	365.152.598	1.116.820.115	1.481.972.713
056		IX	OFF-BALANCE SHEET ITEMS	11.945.389	67.272.777	79.218.166	11.625.171	62.601.978	74.227.149

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

As at: 30.6.2024

in EUR

Item number	Sum elements	Identifier	Item	Last day of the preceding business year			At the reporting date of the current period		
				Life	Non-life	Total	Life	Non-life	Total
057	058+061+062+066+067+071+07	X	CAPITAL AND RESERVES	65.307.009	599.127.674	664.434.683	60.105.927	551.823.819	611.929.746
058	059+060	1	Subscribed capital	5.881.322	72.414.820	78.296.142	5.881.322	72.414.820	78.296.142
059		1.1	<i>Paid in capital - ordinary shares</i>	5.881.322	72.414.820	78.296.142	5.881.322	72.414.820	78.296.142
060		1.2	<i>Paid in capital - preference shares</i>	0	0	0	0	0	0
061		2	Premium on shares issued (capital reserves)	0	90.448.275	90.448.275	0	90.448.275	90.448.275
062	063+064+065	3	Revaluation reserves	-3.824.142	50.745.483	46.921.341	-2.435.391	70.438.895	68.003.504
063		3.1	<i>Land and buildings</i>	0	5.831.786	5.831.786	0	5.806.840	5.806.840
064		3.2	<i>Financial assets</i>	-3.824.142	44.913.697	41.089.555	-2.435.391	64.632.055	62.196.664
065		3.3	<i>Other revaluation reserves</i>	0	0	0	0	0	0
066		4	Financial reserves from insurance contracts	18.486.074	12.866.232	31.352.306	18.857.231	13.775.282	32.632.513
067	068+069+070	5	Reserves	11.317.518	41.961.359	53.278.877	11.317.678	41.965.240	53.282.918
068		5.1.	<i>Legal reserves</i>	293.906	3.698.235	3.992.141	294.066	3.702.116	3.996.162
069		5.2.	<i>Statutory reserve</i>	1.003.040	18.455.600	19.458.640	1.003.040	18.455.600	19.458.640
070		5.3.	<i>Other reserves</i>	10.020.572	19.807.524	29.828.096	10.020.572	19.807.524	29.828.096
071	072+073	6	Retained profit or loss brought forward	20.394.811	296.863.131	317.257.942	20.222.851	229.099.596	249.322.447
072		6.1.	<i>Retained profit</i>	20.394.811	296.863.131	317.257.942	20.222.851	229.099.596	249.322.447
073		6.2.	<i>Loss brought forward (-)</i>	0	0	0	0	0	0
074	075+076	7	Profit or loss for the current accounting period	13.051.426	33.828.374	46.879.800	6.262.236	33.681.711	39.943.947
075		7.1.	<i>Profit for the current accounting period</i>	13.051.426	33.828.374	46.879.800	6.262.236	33.681.711	39.943.947
076		7.2.	<i>Loss for the current accounting period (-)</i>	0	0	0	0	0	0
077		XI	SUBORDINATE LIABILITIES	0	0	0	0	0	0
078		XII	MINORITY INTEREST	0	0	0	0	0	0
079	080+084+088	XIII	LIABILITIES FROM INSURANCE CONTRACTS	342.823.644	389.298.289	732.121.933	296.230.078	406.562.449	702.792.527
080	081+082+083	1	General measurement model	324.771.568	8.396.725	333.168.293	291.624.932	8.412.132	300.037.064
081		1.1.	- Liabilities for remaining coverage	313.539.221	8.048.781	321.588.002	276.513.976	8.150.144	284.664.120
082		1.2.	- Assets for insurance acquisition cash flows	0	0	0	0	0	0
083		1.3.	- Liabilities for claims incurred	11.232.347	347.944	11.580.291	15.110.956	261.988	15.372.944
084	085+086+087	2	Variable fee approach	18.052.076	0	18.052.076	4.605.146	0	4.605.146
085		2.1.	- Liabilities for remaining coverage	15.141.549	0	15.141.549	2.292.229	0	2.292.229
086		2.2.	- Assets for insurance acquisition cash flows	0	0	0	0	0	0
087		2.3.	- Liabilities for claims incurred	2.910.527	0	2.910.527	2.312.917	0	2.312.917
088	089+090+091	3	Premium allocation approach	0	380.901.564	380.901.564	0	398.150.317	398.150.317
089		3.1.	- Liabilities for remaining coverage	0	90.040.730	90.040.730	0	96.508.741	96.508.741
090		3.2.	- Assets for insurance acquisition cash flows	0	0	0	0	0	0
091		3.3.	- Liabilities for claims incurred	0	290.860.834	290.860.834	0	301.641.576	301.641.576
092		XIV	LIABILITIES FROM REINSURANCE	0	1.910.081	1.910.081	0	2.588.378	2.588.378
093		XV	LIABILITY FOR INVESTMENT CONTRACTS	0	0	0	0	0	0
094	095+096	XVI	OTHER PROVISIONS	393.671	6.701.443	7.095.114	362.798	5.234.023	5.596.821
095		1	Provisions for pensions and similar obligations	393.671	6.373.814	6.767.485	362.798	4.732.939	5.095.737
096		2	Other provisions	0	327.629	327.629	0	501.084	501.084
097	098+099	XVII	DEFERRED AND CURRENT TAX	3.159.934	24.632.839	27.792.773	4.891.904	22.432.829	27.324.733
098		1	Deferred tax liability	3.159.934	13.694.907	16.854.841	3.546.255	18.218.378	21.764.633
099		2	Current tax liability	0	10.937.932	10.937.932	1.345.649	4.214.451	5.560.100
100	101+102+...+105	XVIII	FINANCIAL LIABILITIES	18.872	37.130.100	37.148.972	77.866	90.654.841	90.732.707
101		1	Loan liabilities	0	0	0	0	0	0
102		2	Liabilities for issued financial instruments	0	0	0	0	0	0
103		3	Liabilities for derivative financial instruments	18.872	72.193	91.065	77.866	273.757	351.623
104		4	Liability for unpaid dividend	0	208.602	208.602	0	50.086.853	50.086.853
105		5	Other financial liabilities	0	36.849.305	36.849.305	0	40.294.231	40.294.231
106	107+108+109	XIX	OTHER LIABILITIES	3.429.480	37.492.831	40.922.311	3.484.025	37.523.776	41.007.801
107		1	Liabilities for disposal and discontinued operations	0	0	0	0	0	0
108		2	Accruals and deferred income	2.414.266	13.285.156	15.699.422	2.461.664	10.677.917	13.139.581
109		3	Other liabilities	1.015.214	24.207.675	25.222.889	1.022.361	26.845.859	27.868.220
110	05+07+078+079+092+093+094+097+100+106	XX	TOTAL LIABILITIES	415.132.610	1.096.293.257	1.511.425.867	365.152.598	1.116.820.115	1.481.972.713
111		XXI	OFF-BALANCE SHEET ITEMS	11.945.389	67.272.777	79.218.166	11.625.171	62.601.978	74.227.149

STATEMENT OF CHANGES IN EQUITY

For the period: 1.1.2024 - 30.6.2024

in EUR

Item number	Item	Attributable to owners of the parent								Attributable to non-controlling interests*	Total capital and reserves
		Paid in capital (ordinary and preference shares)	Premium on shares issued	Revaluation reserves	Financial reserves from insurance contracts	Capital reserves (legal, statutory, other)	Retained profit or loss brought forward	Profit/loss for the year	Total capital and reserves		
I.	Balance as at 1 January of the previous year	78.216.975	90.448.275	17.423.136	69.717.721	53.359.689	267.939.527	45.625.867	622.731.190	0	622.731.190
1.	Change in accounting policies	0	0	-3.333.388	0	0	2.489.732	0	-843.656	0	-843.656
2.	Correction of errors from prior periods	0	0	0	0	0	0	0	0	0	0
II.	Balance as at 1 January of the previous year (restated)	78.216.975	90.448.275	14.089.748	69.717.721	53.359.689	270.429.259	45.625.867	621.887.534	0	621.887.534
III.	Comprehensive income or loss for the previous year	0	0	34.023.052	-38.365.415	0	0	46.879.800	42.537.437	0	42.537.437
1.	Profit or loss for the period	0	0	0	0	0	0	46.879.800	46.879.800	0	46.879.800
2.	Other comprehensive income or loss for the previous year	0	0	34.023.052	-38.365.415	0	0	0	-4.342.363	0	-4.342.363
2.1.	Unrealised gains or losses on tangible assets (land and buildings)	0	0	-112.126	0	0	0	0	-112.126	0	-112.126
2.2.	Unrealised gains or losses on financial assets at fair value through other comprehensive income	0	0	34.372.141	0	0	0	0	34.372.141	0	34.372.141
2.3.	Realised gains or losses on financial assets at fair value through other comprehensive income	0	0	-236.963	0	0	0	0	-236.963	0	-236.963
2.4.	Net financial income/expenditure from insurance contracts	0	0	0	-39.309.880	0	0	0	-39.309.880	0	-39.309.880
2.5.	Net financial income/expenditure from (passive) reinsurance contracts	0	0	0	944.465	0	0	0	944.465	0	944.465
2.6.	Other changes in equity unrelated to owners	0	0	0	0	0	0	0	0	0	0
IV.	Transactions with owners (previous period)	79.167	0	-1.191.459	0	-80.812	46.828.683	-45.625.867	9.712	0	9.712
1.	Increase/decrease in subscribed capital	79.167	0	0	0	-80.812	0	0	-1.645	0	-1.645
2.	Other contributions by owners	0	0	0	0	0	0	0	0	0	0
3.	Payment of share in profit/dividend	0	0	0	0	0	0	0	0	0	0
4.	Other distribution to owners	0	0	-1.191.459	0	0	46.828.683	-45.625.867	11.357	0	11.357
V.	Balance on the last day of the previous year reporting period	78.296.142	90.448.275	46.921.341	31.352.306	53.278.877	317.257.942	46.879.800	664.434.683	0	664.434.683
VI.	Balance as at 1 January of the current year	78.296.142	90.448.275	46.921.341	31.352.306	53.278.877	317.257.942	46.879.800	664.434.683	0	664.434.683
1.	Change in accounting policies	0	0	0	0	0	0	0	0	0	0
2.	Correction of errors from prior periods	0	0	0	0	0	0	0	0	0	0
VII.	Balance as at 1 January of the current year (restated)	78.296.142	90.448.275	46.921.341	31.352.306	53.278.877	317.257.942	46.879.800	664.434.683	0	664.434.683
VIII.	Comprehensive income or loss for the year	0	0	21.144.812	1.280.207	0	0	39.943.947	62.368.966	0	62.368.966
1.	Profit or loss for the period	0	0	0	0	0	0	39.943.947	39.943.947	0	39.943.947
2.	Other comprehensive income or loss for the year	0	0	21.144.812	1.280.207	0	0	0	22.425.019	0	22.425.019
2.1.	Unrealised gains or losses on tangible assets (land and buildings)	0	0	0	0	0	0	0	0	0	0
2.2.	Unrealised gains or losses on financial assets at fair value through other comprehensive income	0	0	20.241.934	0	0	0	0	20.241.934	0	20.241.934
2.3.	Realised gains or losses on financial assets at fair value through other comprehensive income	0	0	902.878	0	0	0	0	902.878	0	902.878
2.4.	Net financial income/expenditure from insurance contracts	0	0	0	1.516.154	0	0	0	1.516.154	0	1.516.154
2.5.	Net financial income/expenditure from (passive) reinsurance contracts	0	0	0	-235.947	0	0	0	-235.947	0	-235.947
2.6.	Other changes in equity unrelated to owners	0	0	0	0	0	0	0	0	0	0
IX.	Transactions with owners (current period)	0	0	-62.649	0	4.041	-67.935.495	-46.879.800	-114.873.903	0	-114.873.903
1.	Increase/decrease in subscribed capital	0	0	0	0	0	0	0	0	0	0
2.	Other contributions by owners	0	0	0	0	0	0	0	0	0	0
3.	Payment of share in profit/dividend	0	0	0	0	0	-81.049.412	-33.824.493	-114.873.905	0	-114.873.905
4.	Other transactions with owners	0	0	-62.649	0	4.041	13.113.917	-13.055.307	2	0	2
X.	Balance on the last day of the current year reporting period	78.296.142	90.448.275	68.003.504	32.632.513	53.282.918	249.322.447	39.943.947	611.929.746	0	611.929.746

STATEMENT OF CASH FLOWS – indirect method

For the period: 1.1.2024 - 30.6.2024

in EUR

Item number	Sum elements	Identifier	Item	Current business period	Same period of the previous year
001	002+018+035 + 036 + 037	I	CASH FLOW FROM OPERATING ACTIVITIES	83.896.729	-96.699.215
002	003+004	1	Cash flow before changes in operating assets and liabilities	15.337.656	7.367.603
003		1.1	Profit/loss of the accounting period	39.943.947	28.302.338
004	005+006+.....+017	1.2	Adjustments:	-24.606.291	-20.934.735
005		1.2.1	Depreciation of property and equipment	2.582.258	2.447.113
006		1.2.2	Amortization of intangible assets	1.981.621	1.832.634
007		1.2.3	Loss from impairment of intangible assets	0	0
008		1.2.4	Other financial cost	0	0
009		1.2.5	Impairment and gains/losses on fair valuation	-1.777.337	-3.147.475
010		1.2.6	Interest expenses	633.232	620.245
011		1.2.7	Interest income	-13.552.391	-13.017.164
012		1.2.8	Profit from the sale of branch	0	0
013		1.2.9	Share in profit of associates	0	0
014		1.2.10	Equity-settled share-based payment transactions	0	0
015		1.2.11	Cost of income tax	4.702.260	3.681.215
016		1.2.12	Profit/loss from the sale of tangible assets (including land and buildings)	92.944	-487.748
017		1.2.13	Other adjustments	-19.268.878	-12.863.555
018	019+020+...+034	2	Increase/decrease in operating assets and liabilities	59.987.165	-123.968.052
019		2.1	Increase/decrease in financial assets at fair value through other comprehensive income	61.640.978	-1.138
020		2.2	Increase/decrease in financial assets at fair value through statement of profit or loss	13.899.019	-127.535.435
021		2.3	Increase/decrease in financial assets at amortised cost	7.280.671	-3.102.351
022		2.4	Increase/decrease in assets/liabilities from insurance contracts	-23.160.050	3.629.515
023		2.5	Increase/decrease in assets/liabilities from reinsurance contracts	-1.152.236	3.270.640
024		2.6	Increase/decrease in tax assets	-4.429.977	-3.277.395
025		2.7	Increase/decrease in receivables	0	0
026		2.8	Increase/decrease in investments in real estate	-15.050	1.826.781
027		2.9	Increase/decrease in property for own use	0	0
028		2.10	Increase/decrease in other assets	-1.078.228	10.693.566
029		2.11	Increase/decrease in liabilities from investment contracts	0	0
030		2.12	Increase/decrease in other provisions	-1.498.292	972.644
031		2.13	Increase/decrease in tax liabilities	4.649.769	2.840.351
032		2.14	Increase/decrease in financial liabilities	3.765.070	-10.114.674
033		2.15	Increase/decrease in other liabilities	2.645.331	-4.394.765
034		2.16	Increase/decrease in accruals and deferred income	-2.559.840	1.224.209
035		3	Income tax paid	-14.743.614	-4.085.581
036		4	Interest received	15.559.104	15.843.483
037		5	Dividend received	7.756.418	8.143.332
038	039+040+...+045	II	CASH FLOW FROM INVESTING ACTIVITIES	-12.843.088	-4.931.899
039		1	Cash receipts from the sale of tangible assets	18.156	927.957
040		2	Cash payments for the purchase of tangible assets	-301.819	-1.148.868
041		3	Cash receipts from the sale of intangible assets	45.257	0
042		4	Cash payments for the purchase of intangible assets	-1.506.418	-2.210.988
043		5	Cash receipts from the sale of branches, associates and joint ventures	0	0
044		6	Cash payments for the purchase of branches, associates and joint ventures	0	0
045		7	Cash receipts and payments based on other investing activities	-11.098.264	-2.500.000
046	047+048+...+057	III	CASH FLOW FROM FINANCING ACTIVITIES	-66.687.848	-1.594.593
047		1	Cash receipts resulting from the increase of initial capital	0	0
048		2	Cash receipts from issuing redeemable preference shares	0	0
049		3	Cash receipts from short-term and long-term loans received	0	0
050		4	Cash receipts from sales of own shares	0	0
051		5	Cash receipts from exercise of share options	0	0
052		6	Cash payments relating to redeemable preference shares	0	0
053		7	Cash payments for the repayment of short-term and long-term loans received	0	0
054		8	Cash payments for the redemption of own shares	0	0
055		9	Cash payments for interest	0	0
056		10	Cash payments for dividend	-65.000.265	-130.068
057		11	Cash payments for rental obligations	-1.687.583	-1.464.525
058	001+038+046	IV	NET CASH FLOW	4.365.793	-103.225.707
059		V	EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS	-837.507	734.470
060	058+059	VI	NET INCREASE/DECREASE OF CASH AND CASH EQUIVALENTS	3.528.286	-102.491.237
061		1	Cash and cash equivalents at the beginning of period	1.662.494	106.166.366
062	060+061	2	Cash and cash equivalents at the end of period	5.190.780	3.675.129

II. HALF-YEAR MANAGEMENT REPORT

In the period observed, total income from insurance contracts amounted to EUR 207.8m and increased by 13.5 percent compared to the same period of the previous year. The total non-life insurance income amounted to EUR 204.2m and increased by 13.3 percent. Total life insurance income increased by 22.7 percent and amounted to EUR 3.6m.

Total expenditure from insurance contracts amounted to EUR 188.9m in the period observed and increased by 17.1 percent compared to the same period of the previous year. The total non-life insurance expenditure amounted to EUR 187.7m and increased by 16.8 percent. Total life insurance expenditure increased and amounted to EUR 1.2m.

Total net result from insurance contracts amounted to EUR 12.8m and the net result is 65.4 percent higher compared to the same period of the previous year while the total net profit of the Company amounted to EUR 39.9m and increased by 41.1 percent compared to the same period of the previous year.

Total assets of the Company as at 30 June 2024 amounted to EUR 1.5 billion, which represents a decrease of 1.9 percent compared to 31 December 2023.

Liabilities from insurance contracts as at 30 June 2024 amounted to EUR 702.8m, representing a decrease of 4 percent compared to 31 December 2023.

Unaudited unconsolidated financial statements for the half-year of the 2024 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

Growth in profit and insurance income, continuation of growth of digital business, expansion of the polyclinic network and innovations in health insurance are the key features of Croatia osiguranje operations in the second quarter

The digital business segment continues with positive results in the second quarter of 2024. Realized premium from total digital business increased by 40 percent compared to the same period last year, while the number of clients using the Moja Croatia mobile application increased by 8 percent. Croatia's digital brand LAQO achieved premium growth of 40 percent compared to the same period last year. In the second quarter of 2024, the total digital business segment recorded growth of 40 percent. Koreqt, an advanced digital platform for comparing and selecting products and services which Croatia launched in February, also recorded positive results. The number of active products increased by 89 percent, and the number of clicks to partners increased by about 30 percent per month.

CROATIA osiguranje continues investments in private healthcare of the highest standards, which amounts to around EUR 20m invested in the healthcare segment of the business over the last three years. In May 2024, Croatia Poliklinika became the owner of Poliklinika Marin Med, the largest and most renomiated polyclinic in the Dubrovnik area. It is the ninth polyclinic in the Croatia Poliklinika

network, which has achieved the strategic goal of providing top medical services to residents throughout Croatia in polyclinics in Zagreb, Varaždin, Rijeka, Osijek, Split, Zadar, Pula and Koprivnica, and now also in Dubrovnik. In the first half of 2024, Croatia Poliklinika recorded a 48 percent increase in revenue compared to the same period of the previous year, and they also include the revenue of Poliklinika Marin Med from June 2024. The team of top doctors and medical staff has increased by 35 percent compared to the same period last year, and the positive trend of patient satisfaction has continued, among which 94 percent are those who emphasize the friendliness and commitment of the Croatia Poliklinika staff.

At the beginning of May, Croatia osiguranje introduced completely new packages of Complementary health insurance which, in addition to basic health care, include laboratory tests, specialist and general medical examinations in modern private polyclinics throughout Croatia. Redesigned Croatia's Complementary health insurance is an innovative product that once again confirmed Croatia's leading position on the market.

In May was the first birthday of Croatia's Spektar benefits package, which continuously exceeds business plans. After one year since launch, more than 73,000 households with over 97,000 members are included in Spektar.

As part of the Family Day, which brings together employees and their families, it was the 140th anniversary of Croatia osiguranje and the third CO Day for more was held. It is a day of volunteering in the community of Croatia's employees, during which was organized a humanitarian action and were collected funds for the association Krijesnica, which helps children and families facing malignant diseases.

On 19 January 2024, the Management Board and the Supervisory Board proposed to the General Assembly the payment of a dividend in the total amount of EUR 65,000,265.19, or EUR 151.27 per share (ordinary and preference). On 5 March 2024, the General Assembly passed a decision on the payment of the dividend, and the dividend was paid on 18 March 2024. Additionally, on 8 April 2024, the Management Board and the Supervisory Board proposed to the General Assembly an additional dividend payment from retained earnings in the total amount of EUR 16,049,146.52 or EUR 37.35 per share (ordinary and preference) and the payment of dividends from the net profit realized in 2023 in the total amount of EUR 33,954,693.37 or EUR 79.02 per share (ordinary and preference). Croatia osiguranje d.d. in the past years operated successfully, with a growing level of profit and high capital adequacy rates, both at the Company and the Group level, and it is expected capital adequacy during 2024 should be maintained above the level of 200%.

Member of the Management Board, Vančo Balen, left the Company on 30 April 2024, as the last day of his mandate, on personal request, for private reasons.

Geopolitical and macroeconomic situation, conflicts and challenges

The geopolitical situation in the world in 2024 is still without signs of calming down and improvement. The war in Ukraine and the resulting sanctions against the Russian Federation still show no signs of a possible end. The Company respects all introduced sanctions regulations and has no direct operations in insurance and reinsurance business with Russia and Ukraine, and reinsurance contracts through the

Sanction & Embargo clause exempt reinsurance transactions with states under any sanctions. The insurance conditions on the direct side exclude damages caused by war. Contributing to the deterioration of the geopolitical situation in 2024 were new geopolitical tensions in the Middle East, where, in addition to the war in the Gaza initiated by Hamas attack on Israel in October 2023 and by Houthi attacks on ships in the Red Sea, the situation was further aggravated by Iran's attack on Israel in April 2024. Considering all the above, different scenarios and impacts on the world economy are possible.

The end of 2023 represented the end of the multi-year cycle of raising interest rates by the ECB and the FED, so if there are no new macroeconomic disturbances that would affect the growth of inflation rates, a slight lowering of the reference rates of central banks is expected during 2024 and the possible gradual correction of interest curves that have been recently inverted. In June 2024, the ECB already lowered the reference interest rates by 25 basis points. The ECB decided on the aforementioned lowering due to the expected lowering of inflation in the EU by the end of 2024 to levels which are much closer to the target of 2% than was the case earlier. Regardless, due to negative geopolitical events, there is still considerable uncertainty in the macroeconomic sense, so despite the fact that inflation in the SAD and in the EU shows signs of weakening (according to Eurostat, the annual inflation rate in the EU in January 2024 was 3.1%, in February 2024, 2.8%, and in March 4.9% while it was 4.8% in January and February and 2.6% in March in Croatia), in the event of an escalation of the geopolitical situation, different scenarios are also possible, i.e. a new change in the inflationary trend and the risk of reduced economic growth. Considering all of the above, and since the latest inflation expectations until the end of 2024 are still slightly increased compared to the expectation of a few months ago, only one reduction in interest rates by the FED and one additional reduction by the ECB is expected until the end of the year. Regarding the Company's operations, the results of the ORSA process show that the Company is resistant to various stressful circumstances primarily due to the high capitalization, i.e. solvency (SCR ratio of the Company as of 31 March 2024 is 280%) and would probably continue to operate even in a stressful circumstances in accordance with the regulatory requirements.

Significant events after the end of the reporting date

There were no significant events after the balance sheet date.

Company branch

As at 30 June 2024 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.

In accordance with the Company's decision, for the purpose of more efficient operations, the Company is in the process of closing the Ljubljana branch. The Company will continue to operate in Slovenia with cross-border distribution of insurance based on the freedom to provide services in accordance with legal regulations, which means that CROATIA osiguranje d.d. continues to provide

insurance services in registered types of insurance based on the freedom to provide services to all current and future corporate clients in Slovenia.

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

The development of the insurance market in the Republic of Croatia will be greatly influenced, in addition to the previously mentioned geopolitical situation, by climate change and the effects of legal changes which have become applicable or will become applicable (relating to automobile and complementary health insurance).

In recent years, climate change has caused extreme conditions, especially in the summer months. Last year in July, the area of the Republic of Croatia was hit by a very strong storm that caused damages that, in terms of the amount and quantity of damages, were greater than the damages of the earthquake in 2020. Although further price corrections are currently not expected, if extreme situations continue, no option is excluded. This will primarily be reflected in the prices of property and automobile policies.

Further changes in the legislation aimed at price corrections of the basket of HZZO services will certainly be reflected on the complementary health insurance in the medium term, where prices will be corrected for most client categories.

Life insurance continues to be subject to the uncertainty of the interest rates movement. There is a decreasing trend, but to a less extent than previous projections, considering the slight increase in expected inflation. Due to all of the above, it is difficult to predict whether life insurance will continue to decline as in previous years or whether the market will finally turn around.

Research and development activities

The Company continuously monitors environmental events and invests in market research, directs and supports the activities of affiliated companies that are in the function of organic growth and recognition of business opportunities and realization of new acquisitions.

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 2023, 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 chapter *Significant business events in the reporting period*.

Zagreb, 30 July 2024

Member of the Management Board

Luka Babić

President of the Management Board

Davor Tomašković

Member of the Management Board

Robert Vučković

III. NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD I-VI 2024

1. GENERAL INFORMATION OF THE COMPANY

CROATIA osiguranje d.d., Zagreb, Vatroslava Jagića 33 (the 'Company') is registered in the Court Register of the Commercial Court in Zagreb, Republic of Croatia, 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, within the scope of its business, also performs the following tasks:

- activities of offering the investment fund shares and activities of offering pension programs of voluntary pension funds and pension insurance companies in accordance with the provisions of the law governing the offering of shares of investment funds and the offer of pension programs,
- insurance distribution activities for other insurance companies,
- activities that are directly or indirectly related to insurance activities,
- credit intermediation operations in accordance with the regulations governing credit intermediaries.

Since 2004, the Company's shares have been listed at Official Market of the Zagreb Stock Exchange, Zagreb.

The Company is majorly owned by ADRIS GRUPA d.d., Rovinj and is included in the consolidated financial statements of ADRIS GRUPA d.d. which are available on the website of ADRIS GRUPA d.d.

The average number of employees of the Company during the current period is 2,341.

Supervisory Board and Management Board

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

Members of the Supervisory Board are:

Roberto Škopac	President
Dr.sc. Željko Lovrinčević	Vice President
Vitomir Palinec	Member
Hrvoje Patajac	Member
Dr. sc. Zoran Barac	Member
Pero Kovačić	Member
Dr. sc. Hrvoje Šimović	Member

Members of the Management Board are:

Davor Tomašković	President
Robert Vučković	Member
Luka Babić	Member
Vančo Balen	Member until 30 April 2024

Basis for preparation of financial statements

Financial statements are prepared in accordance with the Capital Market Act (Official Gazette 65/18, 17/20, 83/21, 151/22 and 85/24), International Accounting Standard 34 – *Interim Financial Reporting*, the Rules of Zagreb Stock Exchange and the Ordinance on the contents and structure of issuers interim reports and on the form and manner of their submission to the Croatian Financial Services Supervisory Agency, which is issued by the Croatian Financial Services Supervisory Agency.

Half-year financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements as at 31 December 2023. The annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Annual Financial Report for 2023, for the purpose of understanding the information published in the notes to the financial statements prepared for the half-year of the 2024, is available on the company's official website, the official website of the Zagreb Stock Exchange and the Croatian Financial Services Supervisory Agency's Official Register.

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.

Financial statements for the half-year of the 2024 have not been audited.

Presentation currency

Company's financial statements are prepared in the euros 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 and in future periods, if the change also affects them.

Accounting policies

Accounting policies and measurement methods which are used in the preparation of financial statements for the reporting period are the same as those which are used for preparation of the audited financial statements for the year 2023. However, due to certain improvements of the accounting processes related to IFRS 17 *Insurance contracts*, the Company reclassified the amounts in the statement of comprehensive income and the statement of cash flows for the comparative period while the amounts in the statement of financial position and in the statement of changes in equity at the reporting date did not change comparative period, i.e. as at 31 December 2023.

Related party transactions

In the current reporting period, there were usual related party transactions of goods and services. Additionally, in May 2024, the Company granted a loan to a related company of Adris Grupa in the amount of EUR 25 million under usual market conditions, and the loan is secured by collateral.

Seasonality of business activities

Company's operations are not seasonal.

Segment reporting

The Company's reporting segments comprise the life insurance segment and the non-life insurance segment. The description of segments as well as allocation of costs between segment of life insurance and non-life insurance, capital and reserves and assets described in the annual financial statements for 2023, have not changed. There were no significant intersegmental revenues and expenses in the period observed.

Fair value

Fair value is the amount that should be received for an asset sold or paid to settle a liability in an arm's length transaction between market participants at the value measurement date. Fair value is based on quoted market prices, where available. If market prices are not available, fair value is estimated by using discounted cash flow models or other appropriate pricing techniques. Changes in assumptions on which the estimates are based, including discount rates and estimated future cash flows, significantly affect the estimates. Therefore, at this point the estimated fair value cannot be certainly achieved from the sale of a financial instrument.

The fair value of investments at amortised cost is presented below:

	30 June 2024			31 December 2023		
	Net book value	Fair value	Difference	Net book value	Fair value	Difference
	in EUR	in EUR	in EUR	in EUR	in EUR	in EUR
Debt securities	255,097,220	237,164,924	(17,932,296)	285,068,974	268,391,533	(16,677,441)
Loans	76,895,043	74,742,497	(2,152,546)	56,481,476	54,403,270	(2,078,206)
Deposits	53,633,039	53,633,039	-	53,514,876	53,514,876	-
	385,625,302	365,540,460	(20,084,842)	395,065,326	376,309,679	(18,755,647)

Methods of assessment or assumptions in determining fair value

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

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

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

The Company's assets measured at fair value as at 30 June 2024 are presented as follows:

	Level 1 in EUR	Level 2 in EUR	Level 3 in EUR	Total in EUR
<i>Property for own use</i>	-	-	25,103,905	25,103,905
<i>Investment property</i>	-	-	70,940,883	70,940,883
Equity securities	139,214,806	-	30,769,465	169,984,271
Debt securities	464,519,780	-	-	464,519,780
<i>Financial assets at fair value through other comprehensive income</i>	603,734,586	-	30,769,465	634,504,051
Equity securities	1,470,990	-	-	1,470,990
Debt securities	18,084,160	-	-	18,084,160
Investment funds	20,909,761	83,258,541	-	104,168,302
Derivative financial instruments	-	131,916	-	131,916
Other	-	280,000	-	280,000
<i>Financial assets at fair value through profit or loss</i>	40,464,911	83,670,457	-	124,135,368
Total assets at fair value	644,199,497	83,670,457	126,814,253	854,684,207

The Company's assets measured at fair value as at 31 December 2023 are presented as follows:

	Level 1 in EUR	Level 2 in EUR	Level 3 in EUR	Total in EUR
<i>Property for own use</i>	-	-	25,693,150	25,693,150
<i>Investment property</i>	-	-	67,925,833	67,925,833
Equity securities	109,827,535	-	28,984,893	138,812,428
Debt securities	406,802,867	127,082,668	-	533,885,535
<i>Financial assets at fair value through other comprehensive income</i>	516,630,402	127,082,668	28,984,893	672,697,963
Equity securities	387,390	-	-	387,390
Debt securities	10,963,850	-	-	10,963,850
Investment funds	46,856,047	76,949,467	-	123,805,514
Derivative financial instruments	-	486,169	-	486,169
Other	-	-	-	-
<i>Financial assets at fair value through profit or loss</i>	58,207,287	77,435,636	-	135,642,923
Total assets at fair value	574,837,689	204,518,304	122,603,876	901,959,869

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

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

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

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

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

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

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

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

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

Information on measurements of the fair value of investment property using significant inputs that are not available on the market (Level 3) is published in the financial statements for 2023.

Intangible assets

In the period observed, intangible assets decreased by EUR 520 thousand, and this represents the net effect of increasing intangible assets due to additional investments in the observed period and reduction of intangible assets due to amortization. The Company capitalized the costs of net salaries in the amount of EUR 136.5 thousand, the costs of contributions from salaries in the amount of EUR 39.1 thousand, the costs of taxes and surcharges from salaries in the amount of EUR 26 thousand, the costs of contributions to salaries in the amount of EUR 30.1 thousand and other employee costs in the amount of EUR 3.7 thousand.

Financial assets and financial liabilities

The Company's structure of financial assets as at 30 June 2024 and 31 December 2023 was as follows:

30 June 2024

	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit and loss account	Total
	in EUR	in EUR	in EUR	in EUR
Shares				
Shares, listed	-	169,755,680	1,470,990	171,226,670
Shares, not listed	-	228,591	-	228,591
	-	169,984,271	1,470,990	171,455,261
Debt securities				
Government bonds	252,267,058	358,418,598	3,088,810	613,774,466
Corporate bonds	2,830,162	106,101,182	-	108,931,344
Treasury bills	-	-	14,995,350	14,995,350
	255,097,220	464,519,780	18,084,160	737,701,160
Derivative financial instruments				
Foreign currency swap	-	-	-	-
Foreign currency forward contracts	-	-	131,916	131,916
	-	-	131,916	131,916
Investment funds				
Open-ended investment funds	-	-	101,992,130	101,992,130
Open-ended investment funds - assets for coverage of unit-linked products	-	-	2,176,172	2,176,172
	-	-	104,168,302	104,168,302
Loans and receivables				
Deposits with credit institutions	53,633,039	-	280,000	53,913,039
Loans	76,895,043	-	-	76,895,043
	130,528,082	-	280,000	130,808,082
	385,625,302	634,504,051	124,135,368	1,144,264,721

31 December 2023

	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit and loss account	Total
	in EUR	in EUR	in EUR	in EUR
Shares				
Shares, listed	-	138,599,716	387,390	138,987,106
Shares, not listed	-	212,712	-	212,712
	-	138,812,428	387,390	139,199,818
Debt securities				
Government bonds	282,207,468	439,163,288	1,340,131	722,710,887
Corporate bonds	2,861,505	79,864,197	9,623,719	92,349,421
Treasury bills	-	14,858,050	-	14,858,050
	285,068,973	533,885,535	10,963,850	829,918,358
Derivative financial instruments				
Interest swap	-	-	185	185
Foreign currency swap	-	-	23,601	23,601
Foreign currency forward contracts	-	-	462,383	462,383
	-	-	486,169	486,169
Investment funds				
Open-ended investment funds	-	-	108,768,680	108,768,680
Open-ended investment funds - assets for coverage of unit-linked products	-	-	15,036,834	15,036,834
	-	-	123,805,514	123,805,514
Loans and receivables				
Deposits with credit institutions	53,514,877	-	-	53,514,877
Loans	56,481,476	-	-	56,481,476
	109,996,353	-	-	109,996,353
	395,065,326	672,697,963	135,642,923	1,203,406,212

The structure of financial liabilities as at 30 June 2024 and 31 December 2023 was as follows:

	30 June 2024	31 December 2023
	in EUR	in EUR
Lease liabilities	35,091,590	35,206,805
Derivative financial instruments	351,624	91,065
Preference shares	1,627,500	1,627,500
Liability for unpaid dividend	50,086,853	208,602
Other financial liabilities	3,575,140	15,000
	90,732,707	37,148,972

Share capital and shares

The Company's share capital with a nominal value of EUR 79,924 thousand as at 30 June 2024 is divided among 429,697 shares with a nominal value of EUR 186,00. The shares are marked as follows:

Number of shares	Nominal amount (in 000 EUR):
307,598 ordinary shares I, emission with ticker CROS-R-A/CROS	57,213
113,349 ordinary shares II, emission with ticker CROS-R-A/CROS	21,083
TOTAL OF ORDINARY SHARES	78,296
8,750 preference shares I, emission with ticker CROS-P-A/CROS2	1,628
TOTAL OF PREFERENCE SHARES	1,628
TOTAL OF ORDINARY AND PREFERENCE SHARES	79,924

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

Based on the provisions of the Act on the introduction of the euro as the official currency in the Republic of Croatia and the provisions of the Companies Act, the Company proposed at the General assembly a decision on the adjustment of the share capital and the nominal amount of the Company's shares in such a way as to increase the amount of the nominal value of the share from 185.81 EUR, calculated by conversion into euros using a fixed conversion rate with rounding to the nearest cent, to the amount of EUR 186.00. The aforementioned increase in the nominal amount of the share is carried out in order to round the nominal amount of the shares to a whole number, as prescribed by Article 163, paragraph 4 of the Companies Act.

With the purpose of aligning the share capital with the provisions of the Companies Act, the share capital is increased by the amount of EUR 80,812.35, whereby the total share capital of the Company after recalculation and adjustment amounts to EUR 79,923,642.00. This adjustment was made on 5 October 2023 after changes in the court register.

Liabilities

The structure of Company's liabilities as at 30 June 2024 and 31 December 2023 was as follows:

	30 June 2024			
	No later than 1 year	1-5 years	More than 5years	Total
	in EUR	in EUR	in EUR	in EUR
Other provisions	359,516	4,215,525	1,021,780	5,596,821
Financial liabilities	56,365,902	7,450,104	26,916,701	90,732,707
Other liabilities	37,275,135	2,175,973	1,556,693	41,007,801
Total	94,000,553	13,841,602	29,495,174	137,337,329

	31 December 2023			
	No later than 1 year	1-5 years	More than 5years	Total
	in EUR	in EUR	in EUR	in EUR
Other provisions	789,396	5,462,272	843,446	7,095,114
Financial liabilities	2,741,207	7,197,814	27,209,951	37,148,972
Other liabilities	37,182,794	2,368,115	1,371,402	40,922,311
Total	40,713,397	15,028,201	29,424,799	85,166,397

Deferred taxes

The Company on 30 June 2024 has recognized deferred tax assets and liabilities. There were no significant changes in deferred tax assets compared to 31 December 2023, while the movement of deferred tax liabilities is shown in the note below:

	in EUR					
	Land and buildings occupied by an undertaking for its own activities	Financial asset available for sale	Financial assets at fair value through other comprehensive income	Impact of IFRS 17 application	Financial reserves from insurance contracts	Total
31 December 2022	1,369,528	2,459,554	-	12,341,371	15,293,873	31,464,326
Impact of the first application of IFRS 9	-	(2,459,554)	2,606,237	-	-	146,683
Reclassification	-	-	-	9,035	-	9,035
Utilization of deferred tax liability through profit and loss account	(64,767)	-	(1,403,203)	(12,350,405)	-	(13,818,375)
Changes through other comprehensive income	(24,613)	-	7,493,088	-	(8,415,302)	(946,827)
31 December 2023	1,280,148	-	8,696,122	-	6,878,571	16,854,841
Utilization of deferred tax liability through profit and loss account	(5,476)	-	-	-	-	(5,476)
Utilization through equity	-	-	(8,276)	-	-	(8,276)
Changes through other comprehensive income	-	-	4,641,544	-	282,000	4,923,544
30 June 2024	1,274,672	-	13,329,390	-	7,160,571	21,764,633

Commitments

As at 30 June 2024, the Company's contractual obligations for future investments amount to EUR 25.1m based on binding bids for investments in alternative investment funds.

MANAGEMENT BOARD STATEMENT

Pursuant to article 20 of the Articles of Association of the Company from 31 May 2023 and article 465 of the Capital Market Law (Official Gazette 65/18, 17/20, 83/21, 151/22 and 85/24), the Management Board provides this

STATEMENT

That to the best of our knowledge:

- the set of half-year unaudited unconsolidated financial statements of the issuer for the period 1 January – 30 June 2024 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, 30 July 2024

Member of the Management Board

Luka Babić

President of the Management Board

Davor Tomašković

Member of the Management Board

Robert Vučković