



HRVATSKA POŠTANSKA BANKA

# HPB p.l.c. 3M 2024

Investor information and unaudited financial statements

April 2024



# Limitation of liability

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- The information and data contained in this presentation are intended as general background information on Hrvatska poštanska banka p.l.c. (hereinafter referred to as the Bank or HPB) and its activities. They are provided in summary form and therefore do not necessarily represent complete information. Certain statements contained herein may be statements of future expectations and other forward-looking statements about HPB, which are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements which are forward-looking by reason of context, words such as "may," "will," "should," "expects," "plans," "contemplates," "intends," "anticipates," "estimates," "potential" or "continues" and similar expressions typically identify forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. As such, forward-looking statements cannot be guaranteed. Accordingly, we cannot guarantee the realization of such forward-looking statements, nor should full reliance be placed on such forward-looking statements. Many factors may affect our results of operations, financial conditions, liquidity, and developments in the industry in which we operate, and these may differ materially from those expressed or implied by the forward-looking statements contained herein.
- This presentation contains financial and non-financial information and statistical data related to HPB. Such information and data are presented for illustrative purposes only. This presentation may include information and data derived from publicly available sources that have not been independently verified, and therefore HPB hereby expressly makes no representation of warranty of any kind including, but not limited to the accuracy, completeness or reliability of the information and data provided. This presentation is for information purposes only and does not contain a recommendation to buy or sell or an offer to sell or subscribe for shares, nor does it constitute an invitation to make an offer to sell shares.
- This presentation has been prepared and the information in it has been checked with the greatest possible care. Nevertheless, rounding and transmission cannot be excluded. When adding up rounded amounts and percentages, differences may appear.

Type and name of prescribed information:	Financial statements for the period 1.1.2024 - 31.3.2024, HPB p.l.c. 3M 2024 Investor information and unaudited Financial statements for the period 1.1.2024 - 31.3.2024
Issuer name, headquarter and address:	Hrvatska poštanska banka p.l.c., Jurišićeva ulica 4, HR-10000 Zagreb
Issuer's Legal Entity Identifier (LEI)	529900D5G4V6THXC5P79
Home Member State:	Republic of Croatia
International Securities Identification Number (ISIN)	HRHPB0RA0002
Stock code (ticker):	HPB-R-A
Regulated market and segment:	Zagreb Stock Exchange, Official market

In accordance with the Capital Markets Act, Hrvatska poštanska Banka p.l.c. (hereinafter referred to as the Bank or HPB), publishes unaudited unconsolidated financial statements for the period from January 1 to March 31, 2024.

Original and official report is published in Croatian.

The report includes:

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

Financial statements and notes have been compiled in accordance with instructions defined in Rulebook on the content and structure of the issuer's reports for periods during the year (OG 114/2018, 27/2021, 26/2022 and 32/2023).

# Statement of the President of the Management Board

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**Marko Badurina**, President of the Management Board

*„I am proud that the HPB team continues with achieving record results in 2024. For us this period is marked with consolidation after record growth in the previous year. Quarterly net profit of EUR 24 million represents a confirmation of the trend that we have been in for a long time, and also represents a significant addition to capital and our potential for growth in the future.”*

# Executive Summary

Macroeconomic Environment

Financials

Risk Management

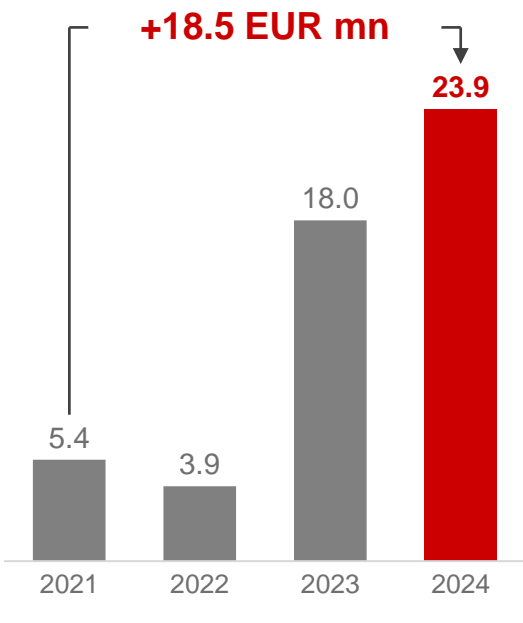
Additional information



# The most profitable quarter in the Bank's history



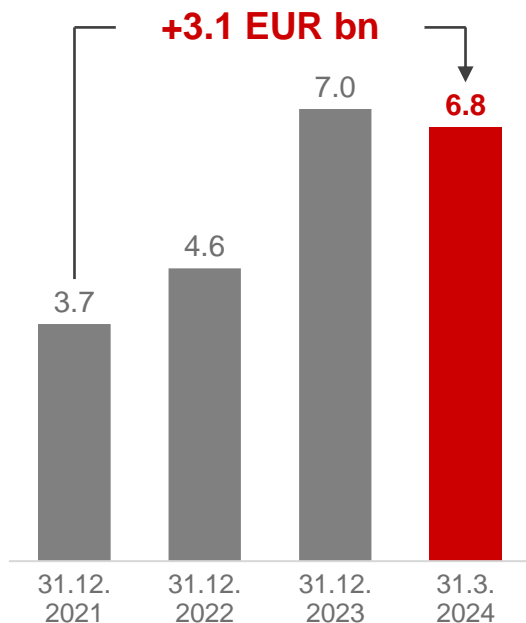
## Record profitability



3M profit after tax\* (EUR mn)



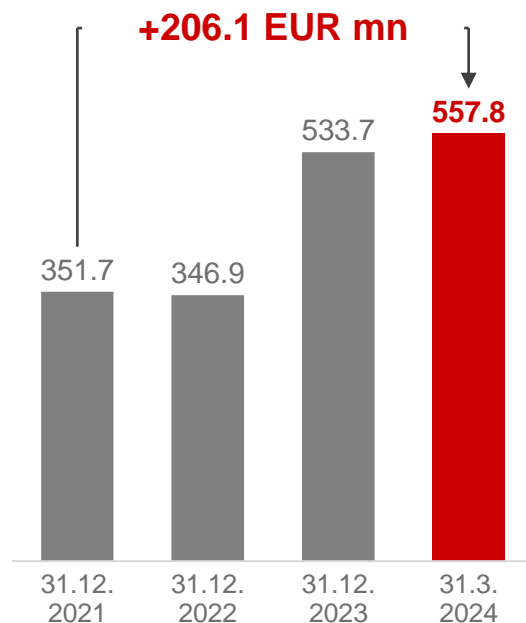
## Strong growth of Banks's asset



Total assets\*\* (EUR bn)



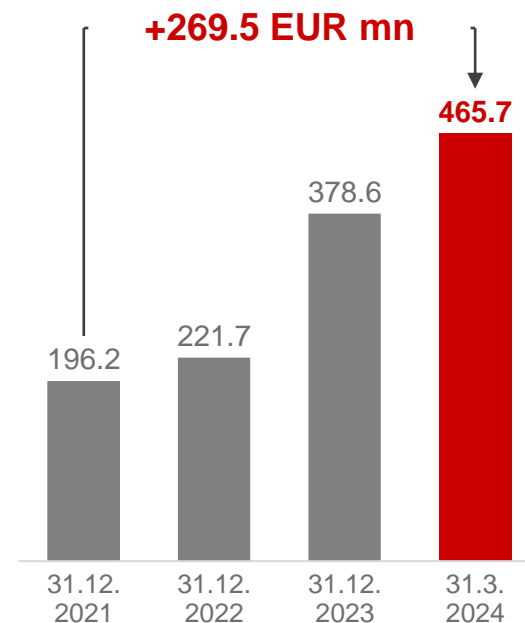
## Financial strength and stability



Equity and reserves\*\* (EUR mn)



## Increase in the Bank's value



Market capitalization (EUR mn)

\* Profit and loss account positions in this presentation for the first quarter of 2021-2023 show the result of HPB on a stand-alone basis, while the first quarter (3M) of 2024 includes the result of integrated Bank (HPB + NHB) in accordance with the merger of NHB in July 2023

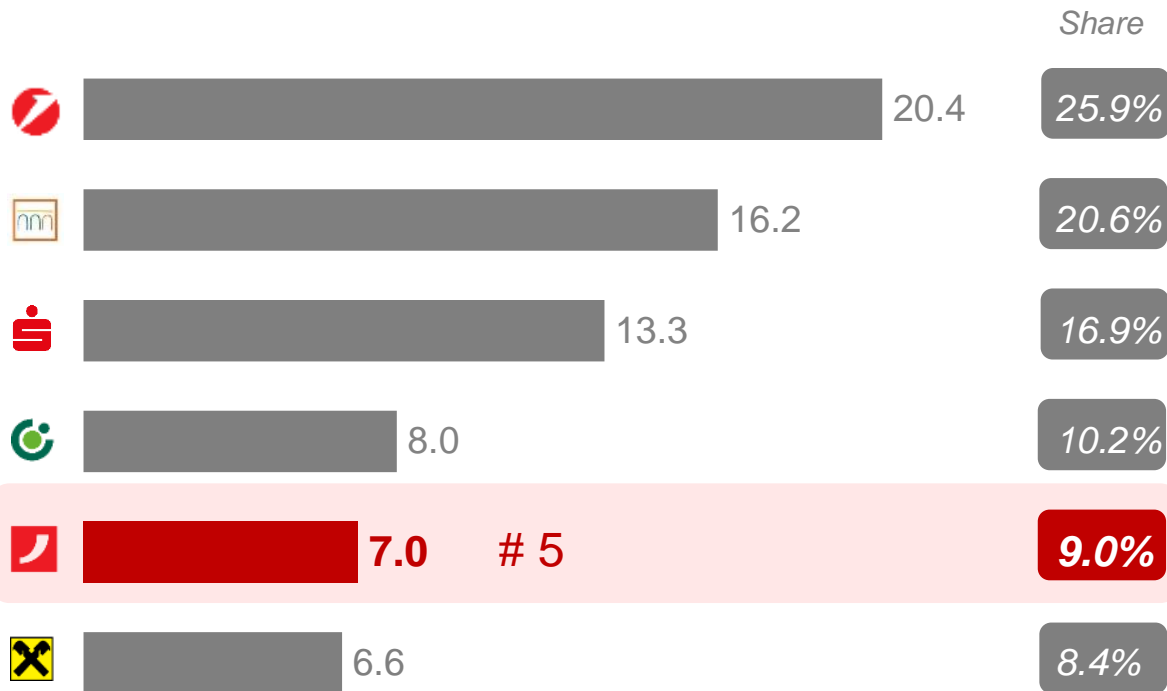
\*\* The balance sheet positions in this presentation on the reporting dates 31.12.2021 and 31.12.2022 show the result of HPB on a stand-alone basis, while the reporting dates 31.12.2023 and 31.3.2024 include results of an integrated Bank (HPB + NHB) in accordance with the merger of NHB in July 2023



**We are creating conditions for a better life in Croatia.**

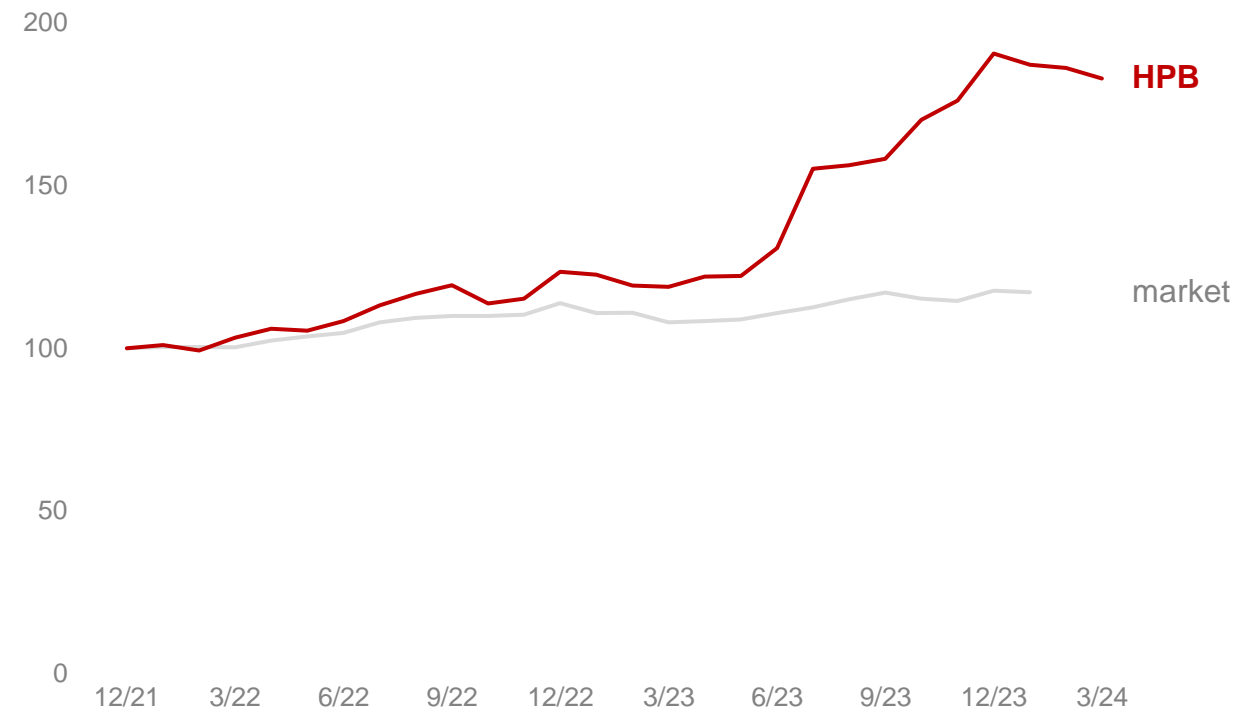
# Fastest growing Bank in Croatia

Total assets  
31.12.2023 EUR bn



**For the first time, HPB becomes 5<sup>th</sup> largest bank by market share.**

Total assets development  
Base index = 2021



Executive Summary

## **Macroeconomic Environment**

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# Macroeconomic indicators



**Croatia**

Mar 24: **4.9%**  
Mar 23: 10.5%

**Euro area €**

Mar 24: **2.4%**  
Mar 23: 6.9%



**Croatia**

Feb 24: **2.0%**  
Feb 23: 1.1%

**Euro area €**

Feb 24: **3.2%**  
Feb 23: 1.9%

**Households**



Feb 24: **6.0%**  
Feb 23: 6.3%

Feb 24: **6.5%**  
Feb 23: 6.6%



Feb 24: **3.4%**  
Feb 23: 1.7%

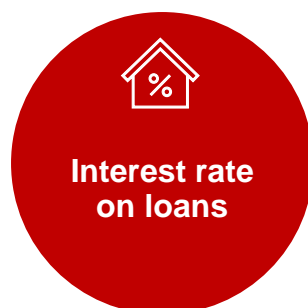
Feb 24: **3.6%**  
Feb 23: 2.3%

**Corporations**



Q4 23: **4.3%**  
Q4 22: 3.3%

Q4 23: **0.1%**  
Q4 22: 1.9%



Q4 23: **6.6%**  
Q4 22: 5.1%

Q4 23: **1.9%**  
Q4 22: 2.5%

**Households**

Q4 23: **8.2%**  
Q4 22: 10.9%

Q4 23: **1.4%**  
Q4 22: 3.1%

**Corporations**

Feb 24: **5.0%**  
Feb 23: n/a

Feb 24: **7.9%**  
Feb 23: 7.1%

**Households' consumption**

Feb 24: **3.7%**  
Feb 23: 3.2%

Feb 24: **3.8%**  
Feb 23: 3.3%

**Households' home purchase**

Feb 24: **5.2%**  
Feb 23: 3.9%

Feb 24: **5.0%**  
Feb 23: 3.8%

**Corporations**

Executive Summary

Macroeconomic Environment

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# Interest income growth leads to record quarterly profit after tax

Profit and loss account (EUR mn)	3M 2023*	3M 2024*	Y-o-Y	Y-o-Y %
Net interest income	25.4	46.6	21.2	83.6
Net fee and commission income	5.9	7.6	1.7	29.4
Net other income	1.3	0.9	(0.3)	(26.9)
<b>Operating income</b>	<b>32.5</b>	<b>55.2</b>	<b>22.6</b>	<b>69.5</b>
Employee expenses	(8.9)	(13.3)	4.4	49.7
Administrative expenses	(8.5)	(10.4)	1.9	21.9
Depreciation	(1.7)	(2.9)	1.2	74.2
<b>Operating expenses</b>	<b>(19.0)</b>	<b>(26.5)</b>	<b>7.5</b>	<b>39.4</b>
<b>Operating profit</b>	<b>13.5</b>	<b>28.6</b>	<b>15.1</b>	<b>111.9</b>
Provisions	4.6	0.2	(4.4)	(95.3)
Tax	(0.1)	(5.0)	4.8	3,699.8
<b>Profit after tax</b>	<b>18.0</b>	<b>23.9</b>	<b>5.9</b>	<b>32.7</b>

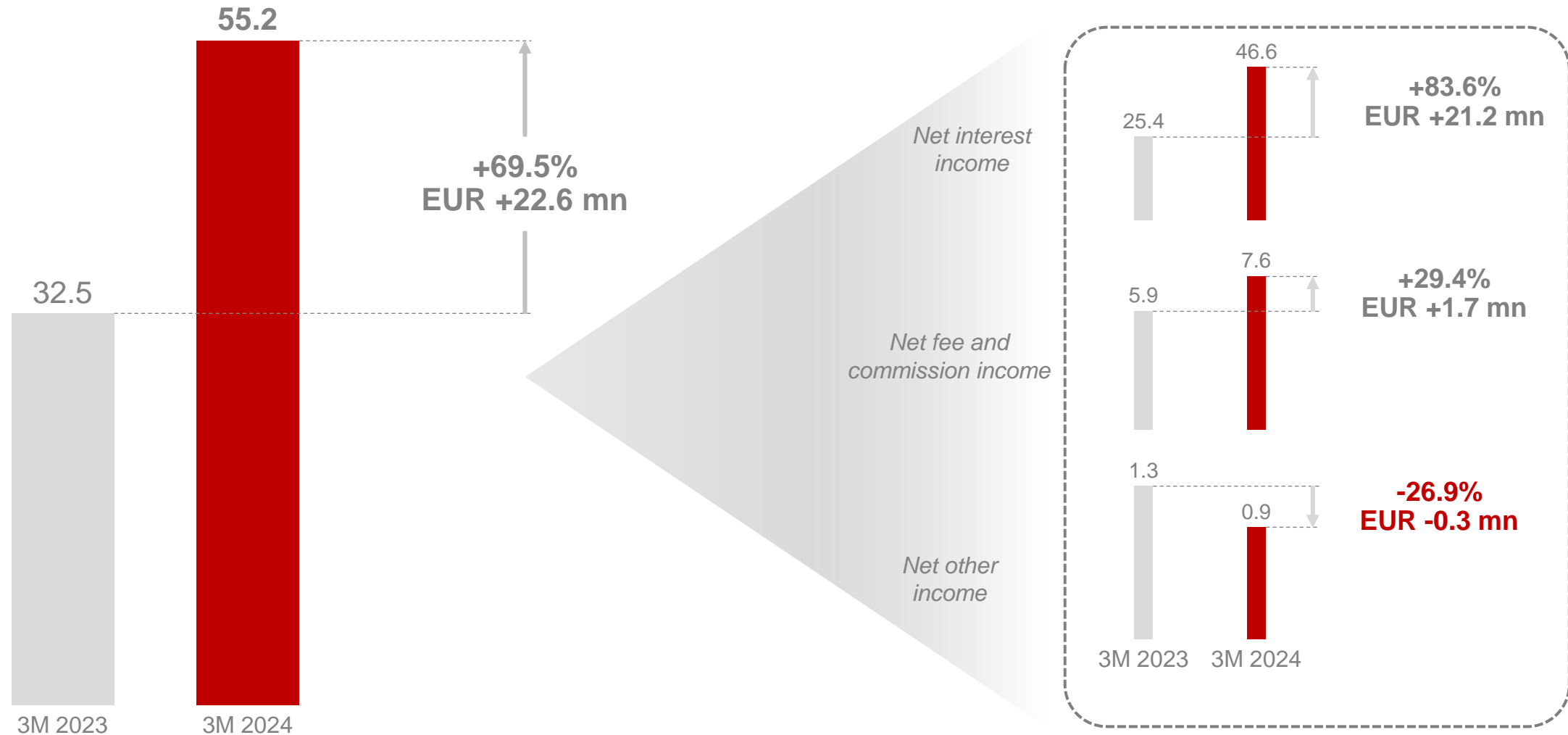
\* 3M in 2023 includes the result of the Bank's operations on a stand-alone basis, while 3M in 2024 includes the result of the integrated Bank (HPB + NHB) in accordance with the merger of NHB in July 2023

- **Record quarterly profit after tax** is the result of strong interest income growth
- In accordance with the movement of the ECB's reference interest rates and an average larger volume of liquid assets, net interest income almost doubled
- Net fee and commission income recorded a growth of EUR 1.7 mn in the observed period due to higher income from payment transactions in almost all business segments
- A significant increase in interest income neutralized the increase in operating expenses, which significantly improved the CIR indicator, which is 48.9% (3M 2023: 58.5%)
- Relative increase in employee expenses primarily due to the impact of the merger of NHB in 2023, and to the lesser extent by labor and service price adjustments due to the inflationary environment and other factors
- Operating expenses in the first quarter of 2024 are higher compared to the same period of the previous year due to the merger of NHB, a general increase in expenses due to inflation, and an increase in depreciation due to the activation of newly acquired assets
- Improvement of the performing portfolio credit quality due to the positive economic trends neutralized provisions on the NPL portfolio and resulted in income from the reversal of provisions in the total amount of EUR 0.2 mn

# Interest income is the key driver of realized operating profit

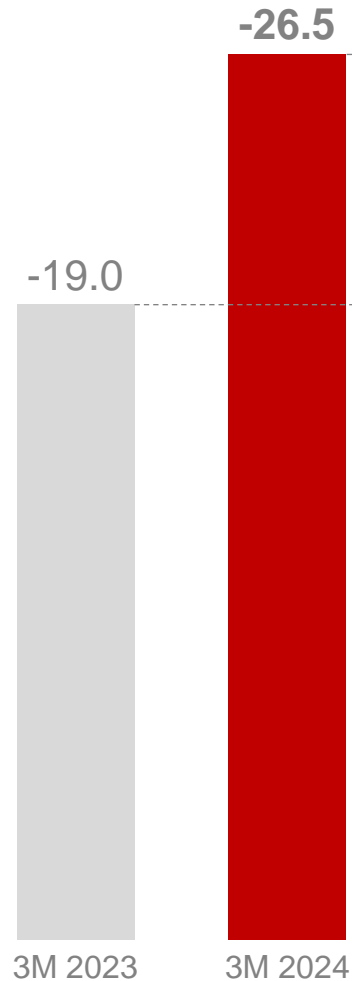
Operating profit amounts EUR 28.6 mn

Operating income



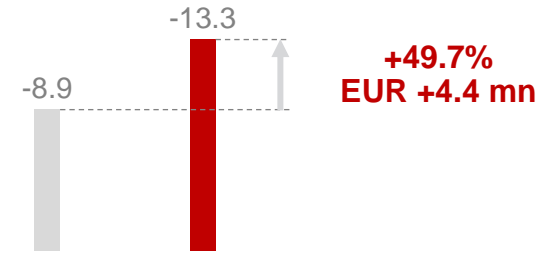
# Higher level of expenses according to merger was completely offset by significantly higher income CIR at 49.8%

## Operating expenses



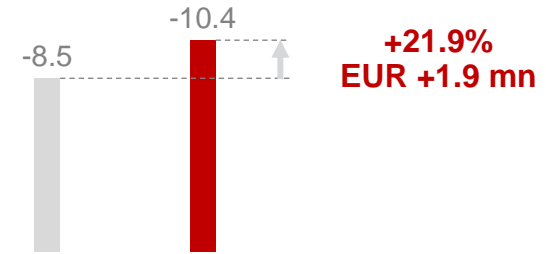
**+39.41%**  
**EUR +7.5 mn**

*Employee expenses*



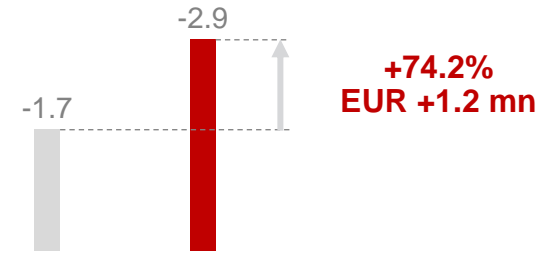
**+49.7%**  
**EUR +4.4 mn**

*Administrative expenses*



**+21.9%**  
**EUR +1.9 mn**

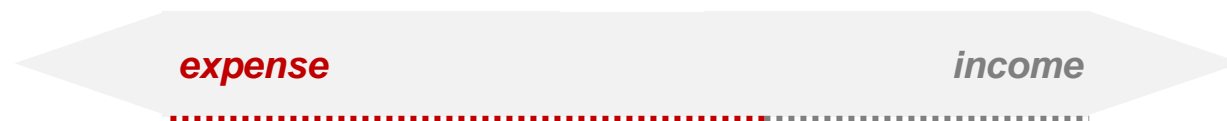
*Depreciation*



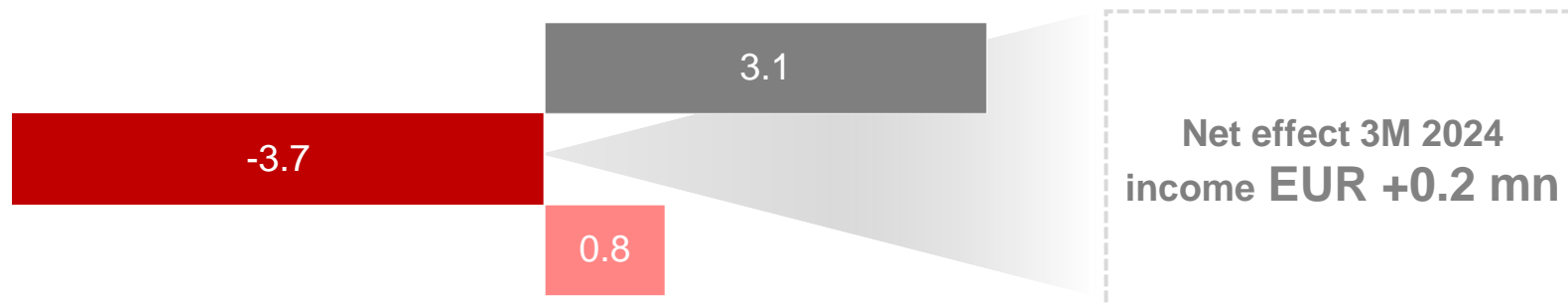
**+74.2%**  
**EUR +1.2 mn**

# High quality of loan portfolio

NPL coverage at 76.3%



## 3M 2024



Net effect 3M 2024  
income EUR +0.2 mn

## 3M 2023



Net effect 3M 2023  
income EUR +4.6 mn

0

■ Stage 1 & 2 ■ Stage 3 ■ Other provisions

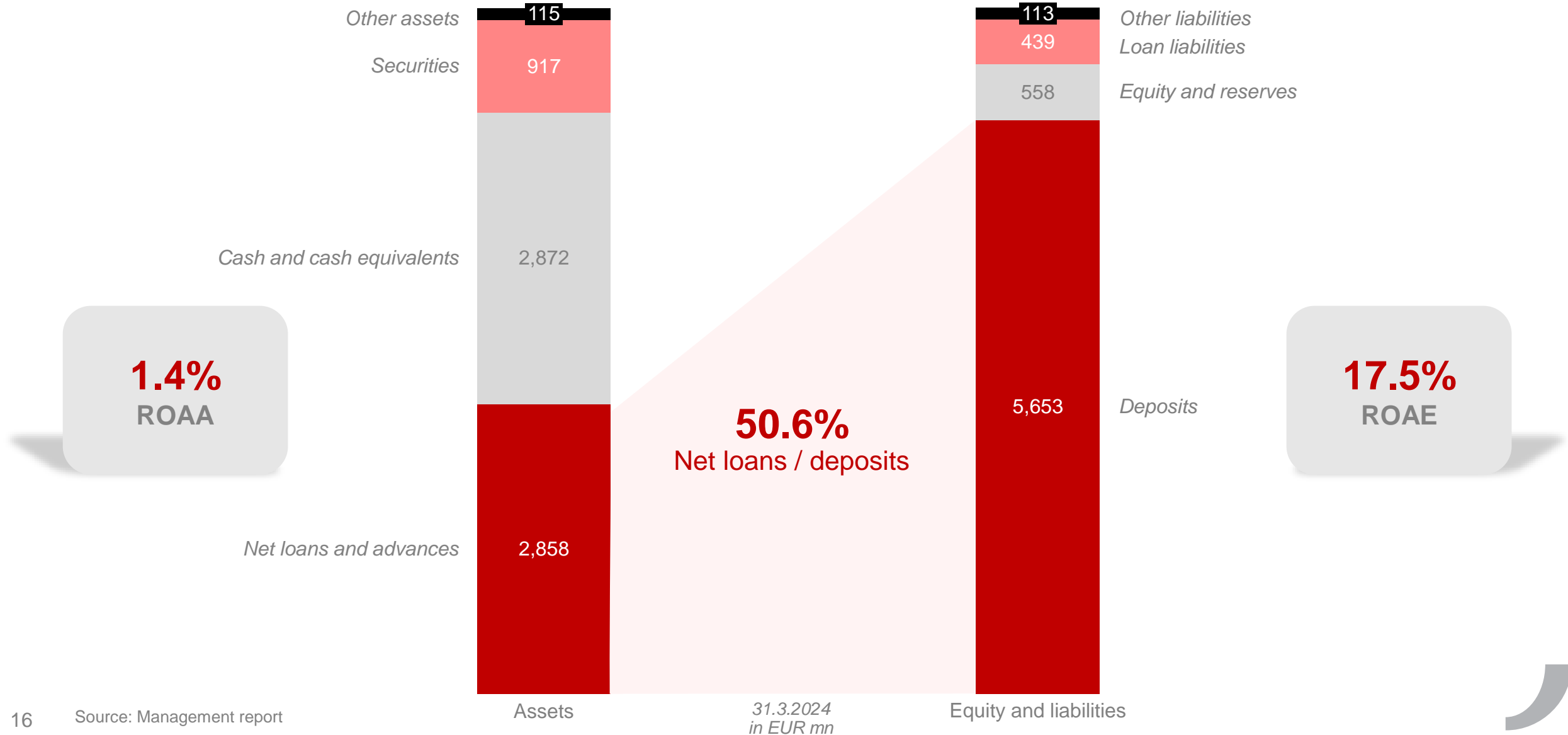
- Due to the improvement of the credit quality portfolio through migrations from Stage 2 to Stage 1, additionally considering the favorable macroeconomic circumstances during Q1, income from reversal of provisions was recorded in the amount of EUR 3.1 mm
- Provisions for non-performing loans (Stage 3) are moderate in the historical context (annualized 0.5% of the gross loan portfolio) and are the result of solid collection in corporate segment with minimal new NPL volumes in the retail segment
- Other provisions mostly refers to legal cases

# Realized asset level of EUR 6.8 bn

Balance sheet (EUR mn)	31.12.2023	31.3.2024	YTD	YTD %
Cash and cash equivalents	3,103	2,872	(231)	(8.0)
Securities	915	917	2	0.2
Net loans and advances	2,908	2,858	(50)	(1.8)
Other assets	120	115	(4)	(3.7)
<b>Total assets</b>	<b>7,046</b>	<b>6,762</b>	<b>(284)</b>	<b>(4.2)</b>
Deposits	5,929	5,653	(276)	(4.9)
Loan liabilities	468	439	(29)	(6.7)
Other liabilities	115	113	(2)	(2.2)
<b>Total liabilities</b>	<b>6,512</b>	<b>6,204</b>	<b>(308)</b>	<b>(5.0)</b>
<b>Total equity and reserves</b>	<b>534</b>	<b>558</b>	<b>24</b>	<b>4.3</b>

- Total assets lower by EUR 284 mn compared to the end of 2023, mostly due to the lower volume of several corporate deposits, which was reflected in the reduction of cash and cash equivalents on the asset side
- Although the Bank achieved an excellent result from the new Super Štednja 2 in the retail segment (March 31, 2024 = EUR 212 mn), which began to be contracted on January 1, 2024, total deposits recorded a decline of EUR 276 mn primarily due to a decrease in several deposits from corporate clients due to the reduction in prices offered by the Bank compared to the previous quarter; the trend of a vista overflow into term deposits continues
- The gross loan portfolio is flat due to the focus on RWA optimization and market positioning
- Loan liabilities refer to MREL instruments and received loans from financial institutions (CBRD, CNB repo loans and foreign financial institutions), where reduction refers to regular repayment

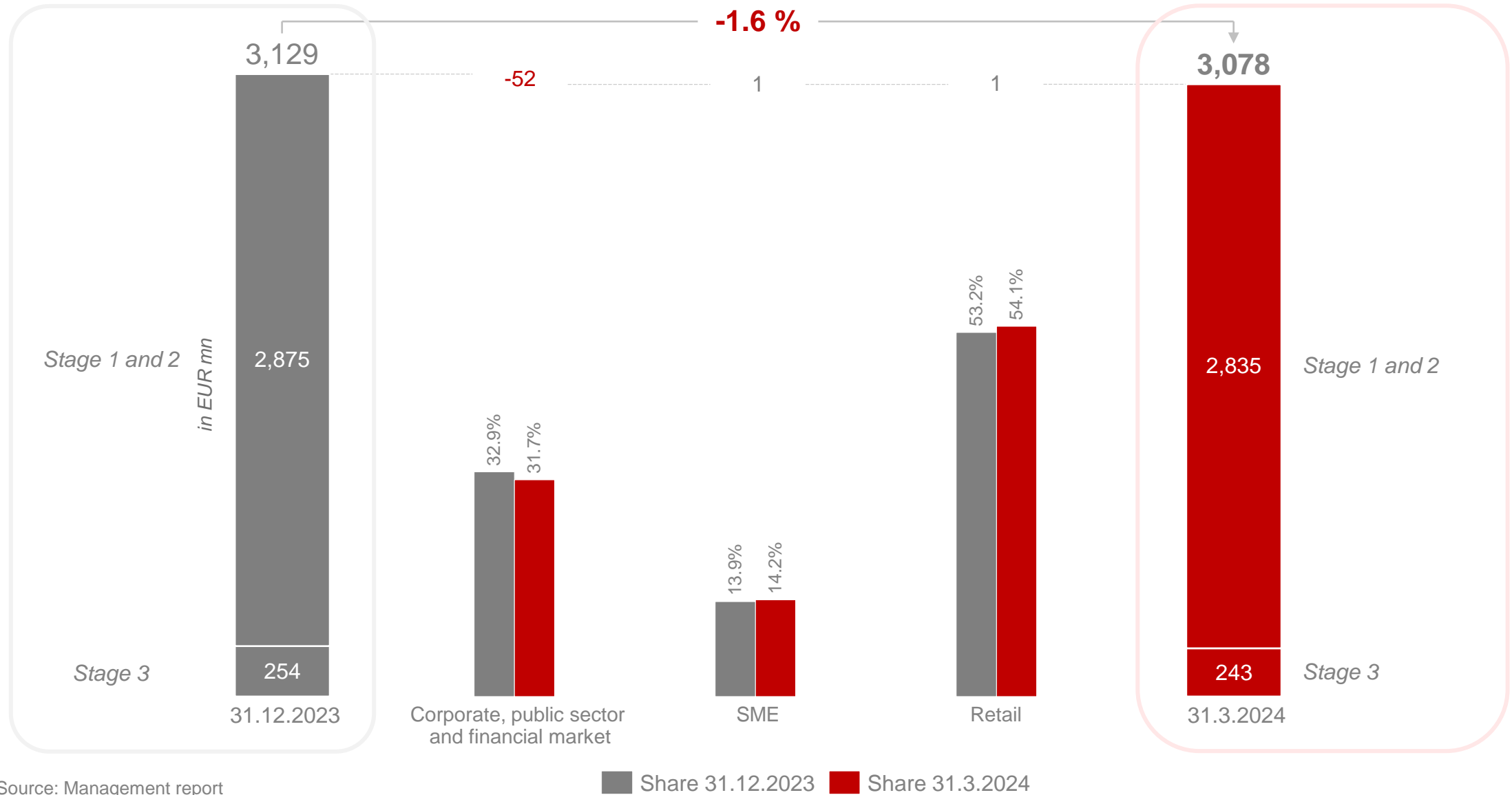
# Client deposits dominate the funding sources





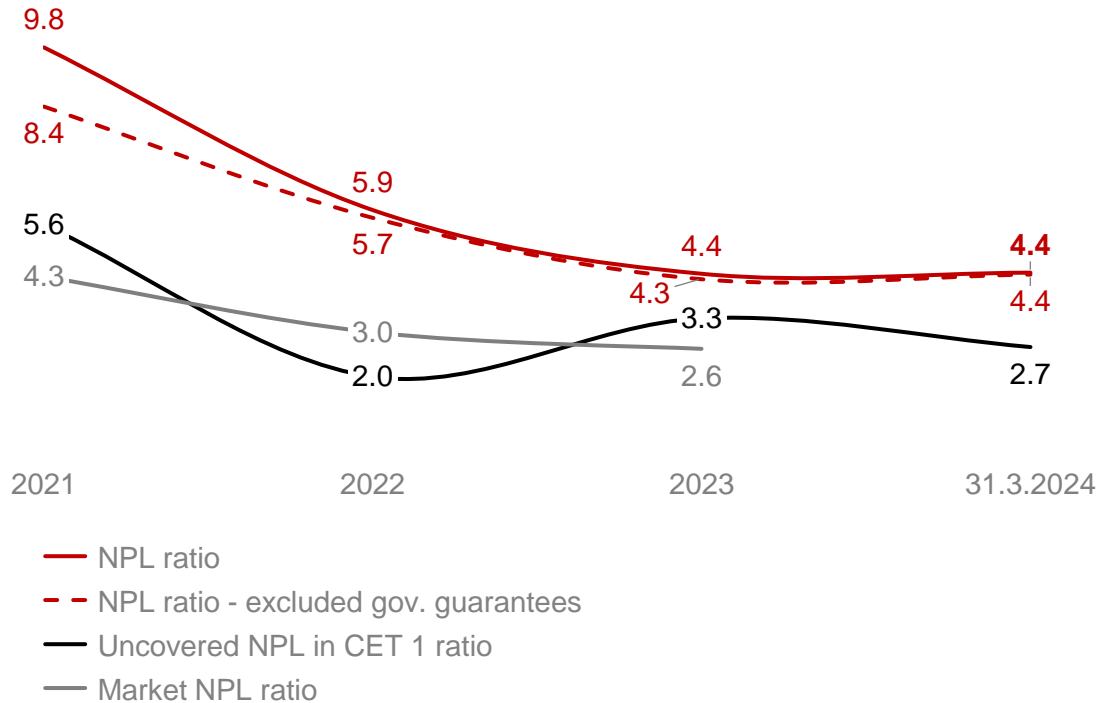
# Stable dispersion of gross loan portfolio by segments

In Q1 2024, EUR 189 mn of new loans were approved and released (6.1% of the total portfolio)

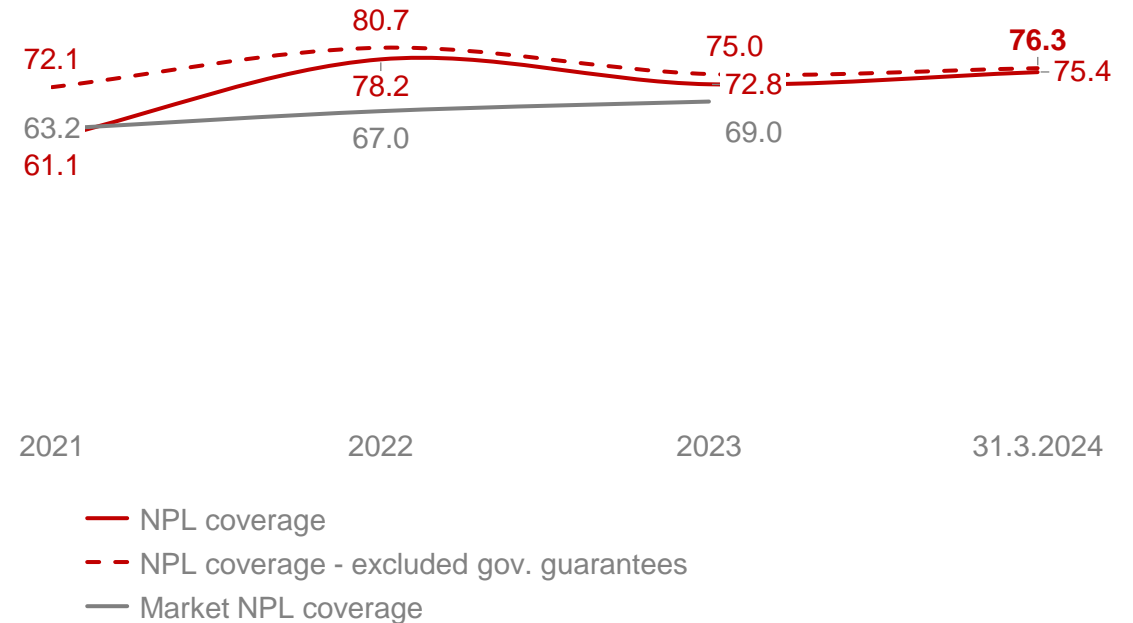


# Stable NPL ratio with still high coverage

NPL ratio, %



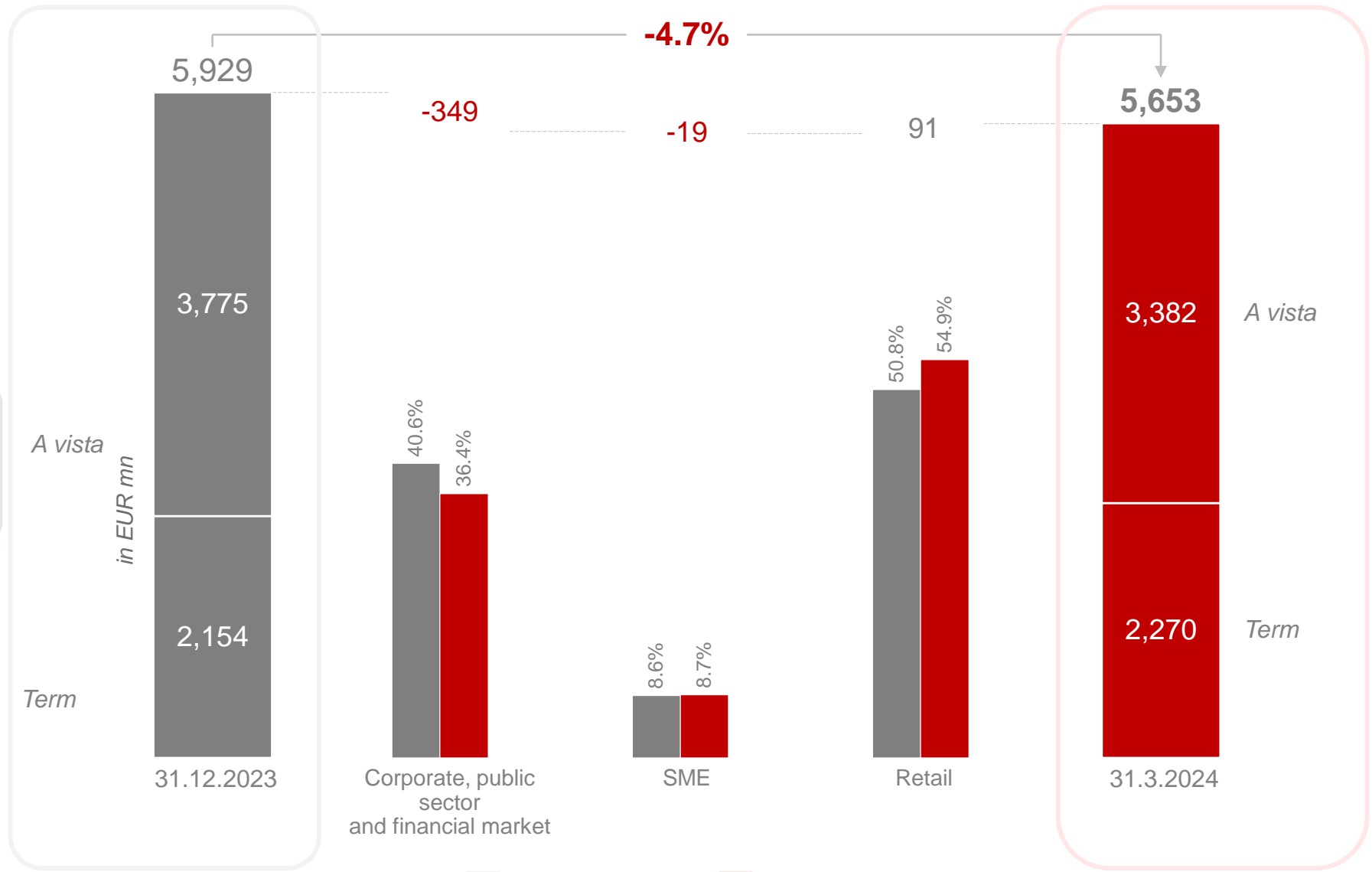
NPL coverage, %



- NPL ratio shows an extremely good result, which, in addition to a significant reduction in the non-performing loans, was also influenced by performing exposure, primarily through reclassifications into the performing portfolio
- **Coverage of NPL still above the level of the sector average** (December 31, 2023: 69.0%)

# Massive liquidity with high LCR

**254.5%**  
LCR  
31.12.2023



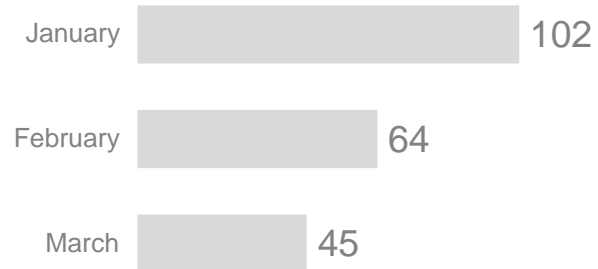
**268.0%**  
LCR  
31.3.2024

■ Share 31.12.2023 ■ Share 31.3.2024

# HPB Super Štednja 2

**EUR 212 mn**  
total term deposits

Contracted deposits per month (EUR mn)  
31.3.2024



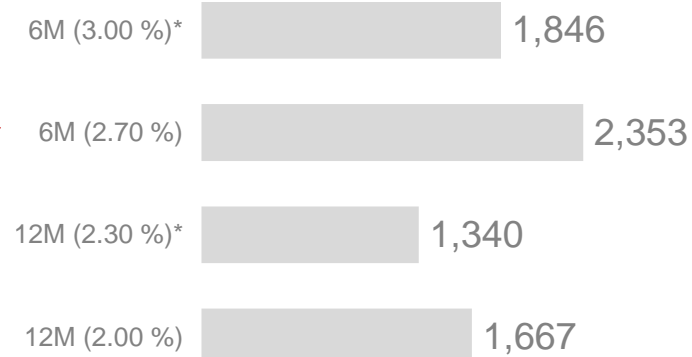
  
o/w  
**55%**  
new deposits



  
**EUR 117 mn**  
future client potential

**7,206**  
no. of contracted deposits

No. of contracts based on maturity and interest rates  
31.3.2024



\*including the transfer of regular income

- New attractive savings product from 1 January 2024
- Strategy for retaining existing and attracting new clients

**Super Štednja 2**

Executive Summary

Macroeconomic Environment

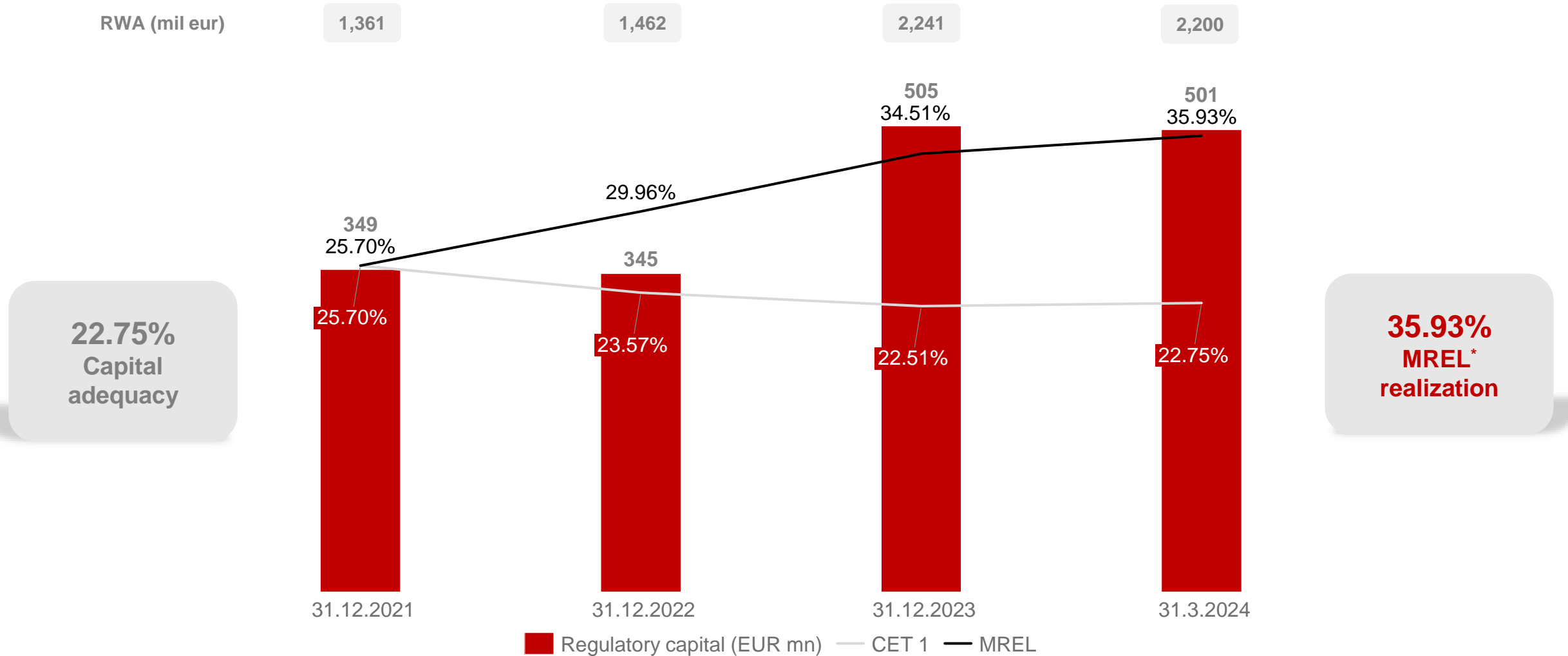
Financials

**Risk Management**

Additional information



# Continuously strong capital position

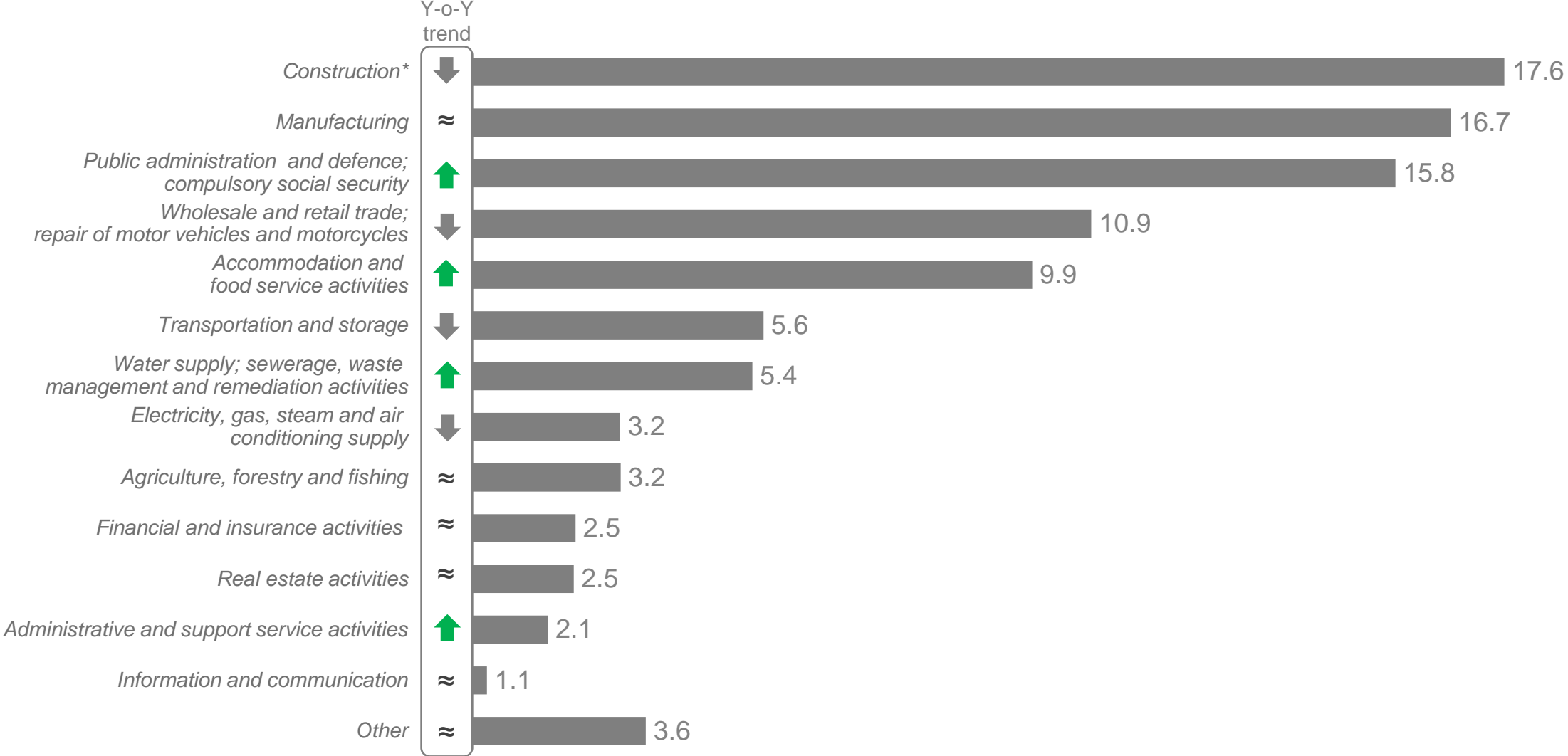


- Regulatory MREL requirement set at 30.81% from January 1, 2024 and is raised by 0.5%, due to increase in the countercyclical buffer, reaching a total of 31.31%, effective from June 30, 2024

# HPB monitors and supports development of the Croatian economy

## Corporate gross loans per industry, %

31.3.2024



\* Hrvatske autoceste are included in construction industry, with a share of 53.94% of the total exposure to that industry

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



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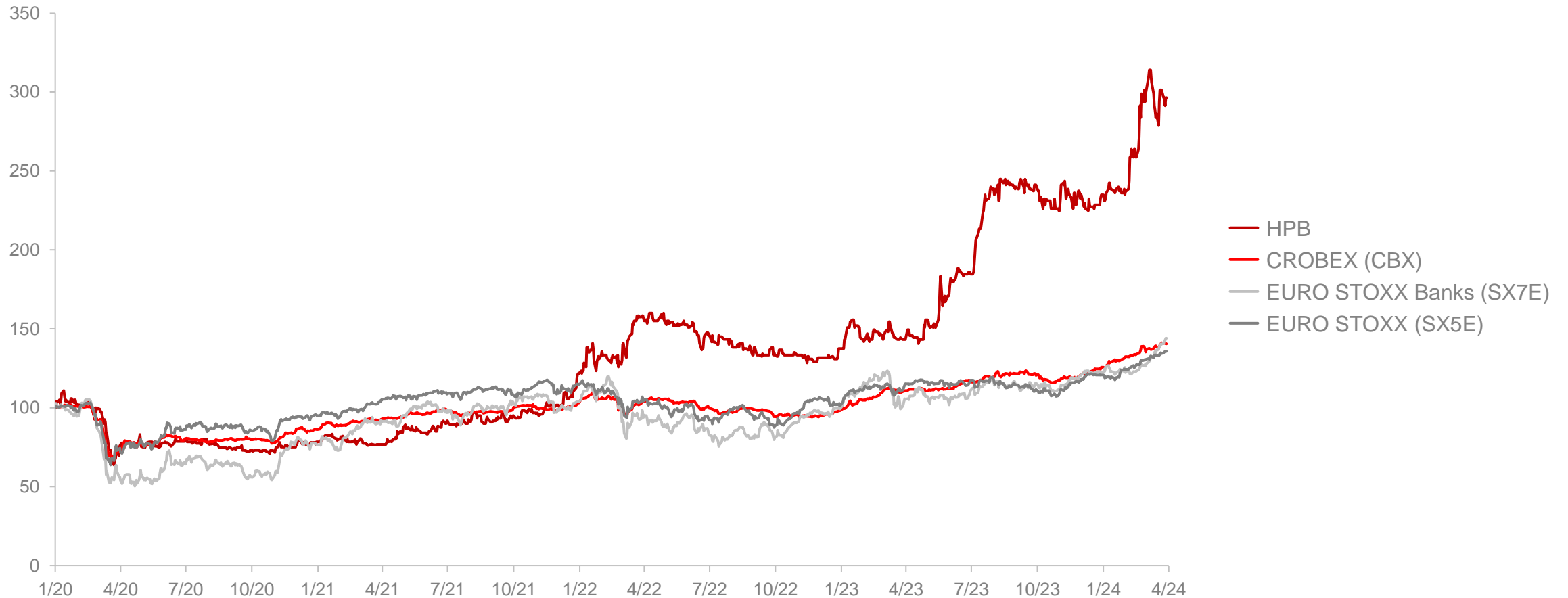
**Additional information**





# Significantly faster growth of the share value than the market

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



Dividend payment on June 24, 2024, in the amount of EUR 2.61 per share from retained earnings in accordance with the decision of the General Assembly from December 21, 2023

# Abbreviations

<b>Abbreviation</b>	<b>Definition</b>
CBRD	Croatian Bank for Reconstruction and Development
CET 1	Common Equity Tier 1
CHF	Swiss Frank
CIR	Cost-to-income ratio
CNB	Croatian National Bank
CROBEX	Croatian Benchmark Stock Exchange Index
ECB	European Central Bank
ESG	Environmental, Social and Governance
GDP	Gross Domestic Product
HICP	Harmonised index of consumer prices
HPB	Hrvatska poštanska banka
ISIN	International Securities Identification Number
LCR	Liquidity Coverage Ratio
MREL	Minimum Requirement for Own Funds and Eligible Liabilities
NHB	Nova hrvatska banka
NPL	Non-Performing Loans
Q1 or 3M	First quarter
ROAA	Return on Average Assets
ROAE	Return on Average Equity
RWA	Risk-Weighted Assets
Stage 1 and 2	Performing Loans
Stage 3	Non-Performing Loans
Y-o-Y	Year-over-Year
YTD	Year to Date

# Indicies calculation

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



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

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In accordance with the Capital Market Act, the Management Board of HPB p.l.c., states that according to their best knowledge the set of unaudited unconsolidated financial statements for the period from January 1 to March 31, 2024, are compiled in accordance with the accounting regulation applicable to credit institutions in Croatia, presents complete and accurate view of assets and liabilities, losses and gains, financial position and results of HPB p.l.c.

On behalf of HPB p.l.c.:

**Marko Badurina**

President of the Management Board

**Tadija Vrdoljak**

Member of the Management Board

**Ivan Soldo**

Member of the Management Board

**Josip Majher**

Member of the Management Board

**Anto Mihaljević**

Member of the Management Board

# Management report of HPB p.l.c.

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Management report of Hrvatska poštanska Banka p.l.c. for the period from January 1 to March 31, 2024, is contained in the previous section of this material.

**Marko Badurina**

President of the Management Board

**Ivan Soldo**

Member of the Management Board

**Anto Mihaljević**

Member of the Management Board

**Tadija Vrdoljak**

Member of the Management Board

**Josip Majher**

Member of the Management Board

**Annex 1****ISSUER'S GENERAL DATA**

Reporting period:

1.1.2024.

to

31.03.2024.

Year:

2024

Quarter:

1

**Quarterly financial statements**

Registration number (MB):

03777928

Issuer's home Member  
State code:

HRVATSKA

Entity's registration  
number (MBS):

080010698

Personal identification  
number (OIB):

87939104217

LEI:

529900D5G4V6THXC5P79

Institution  
code:

319

Name of the issuer: **HRVATSKA POŠTANSKA BANKA, p.l.c.**Postcode and town: **10000****ZAGREB**Street and house number: **JURIŠIĆEVA ULICA 4**E-mail address: **hpb@hpb.hr**Web address: **www.hpb.hr**Number of employees  
(end of the reporting

1722

Consolidated report:

KN

(KN-not consolidated/KD-consolidated)

Audited:

RN

(RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

Bookkeeping firm:

No

(Yes/No)

(name of the bookkeeping firm)

Contact person: **Tea Bažant**

(only name and surname of the contact person)

Telephone: **014804670**E-mail address: **tea.bazant@hpb.hr**

Audit firm:

(name of the audit firm)

Certified auditor:

(name and surname)

**BALANCE SHEET**  
balance as at 31.03.2024.

in EUR

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

Item	ADP code	Last day of the preceding business year	Current period
1	2	3	4
<b>Assets</b>			
<b>Cash, cash balances at central banks and other demand deposits (from 2 to 4)</b>	<b>001</b>	<b>3,103,793,849</b>	<b>2,873,115,401</b>
Cash in hand	002	136,782,367	108,488,086
Cash balances at central banks	003	2,957,462,257	2,754,347,469
Other demand deposits	004	9,549,225	10,279,846
<b>Financial assets held for trading (from 6 to 9)</b>	<b>005</b>	<b>54,809,698</b>	<b>55,174,811</b>
Derivatives	006	612,632	6,677
Equity instruments	007	14,348,314	15,468,427
Debt securities	008	39,848,752	39,699,707
Loans and advances	009	0	0
<b>Non-trading financial assets mandatorily at fair value through profit or loss (from 11 to 13)</b>	<b>010</b>	<b>490,500</b>	<b>505,795</b>
Equity instruments	011	0	0
Debt securities	012	0	0
Loans and advances	013	490,500	505,795
<b>Financial assets at fair value through profit or loss (15 + 16)</b>	<b>014</b>	<b>0</b>	<b>0</b>
Debt securities	015	0	0
Loans and advances	016	0	0
<b>Financial assets at fair value through other comprehensive income (from 18 to 20)</b>	<b>017</b>	<b>4,394,287</b>	<b>4,744,613</b>
Equity instruments	018	4,394,287	4,744,613
Debt securities	019	0	0
Loans and advances	020	0	0
<b>Financial assets at amortised cost (22 + 23)</b>	<b>021</b>	<b>3,786,154,629</b>	<b>3,736,417,075</b>
Debt securities	022	855,856,956	856,702,984
Loans and advances	023	2,930,297,673	2,879,714,091
Derivatives - hedge accounting	024	0	0
Fair value changes of the hedged items in portfolio hedge of interest rate risk	025	0	0
Investments in subsidiaries, joint ventures and associates	026	1,295,487	1,295,487
Tangible assets	027	60,791,774	58,454,291
Intangible assets	028	14,601,447	14,580,322
Tax assets	029	5,316,953	5,222,999
Other assets	030	14,404,364	10,720,193
Fixed assets and disposal groups classified as held for sale	031	0	1,777,644
<b>Total assets (1 + 5 + 10 + 14 + 17 + 21 + from 24 to 31)</b>	<b>032</b>	<b>7,046,052,988</b>	<b>6,762,008,631</b>
<b>Liabilities</b>			
<b>Financial liabilities held for trading (from 34 to 38)</b>	<b>033</b>	<b>16,165</b>	<b>232,319</b>
Derivatives	034	16,165	232,319
Short positions	035	0	0
Deposits	036	0	0
Debt securities issued	037	0	0
Other financial liabilities	038	0	0
<b>Financial liabilities at fair value through profit or loss (from 40 to 42)</b>	<b>039</b>	<b>0</b>	<b>0</b>
Deposits	040	0	0
Debt securities issued	041	0	0
Other financial liabilities	042	0	0
<b>Financial liabilities measured at amortised cost (from 44 to 46)</b>	<b>043</b>	<b>6,418,350,046</b>	<b>6,111,499,958</b>
Deposits	044	6,397,218,638	6,091,239,347
Debt securities issued	045	0	0
Other financial liabilities	046	21,131,408	20,260,611
Derivatives - hedge accounting	047	0	0
Fair value changes of the hedged items in portfolio hedge of interest rate risk	048	0	0
Provisions	049	41,571,561	37,986,884
Tax liabilities	050	7,508,138	11,268,271
Share capital repayable on demand	051	0	0
Other liabilities	052	44,870,183	43,187,126
Liabilities included in disposal groups classified as held for sale	053	0	0
<b>Total liabilities (33 + 39 + 43 + from 47 to 53)</b>	<b>054</b>	<b>6,512,316,093</b>	<b>6,204,174,558</b>
<b>Equity</b>			
Capital	055	161,970,000	161,970,000
Share premium	056	0	0
Equity instruments issued other than capital	057	0	0
Other equity	058	0	0
Accumulated other comprehensive income	059	8,645,102	8,888,773
Retained profit	060	194,508,595	275,123,650
Revaluation reserves	061	0	0
Other reserves	062	87,998,143	87,998,143
(-) Treasury shares	063	0	-3,920
Profit or loss attributable to owners of the parent	064	80,615,055	23,857,424
(-) Interim dividends	065	0	0
Minority interests [non-controlling interests]	066	0	0
<b>Total equity (from 55 to 66)</b>	<b>067</b>	<b>533,736,895</b>	<b>557,834,070</b>
<b>Total equity and liabilities (54 + 67)</b>	<b>068</b>	<b>7,046,052,988</b>	<b>6,762,008,628</b>

**STATEMENT OF PROFIT OR LOSS**  
for the period 01.01.2024. to 31.03.2024.

in EUR

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

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
Interest income	001	27,560,990	27,560,990	65,216,059	65,216,059
(Interest expenses)	002	2,274,447	2,274,447	18,744,692	18,744,692
(Expenses on share capital repayable on demand)	003	0	0	0	0
Dividend income	004	79,823	79,823	5,572	5,572
Fees and commissions income	005	15,456,805	15,456,805	16,878,537	16,878,537
(Fees and commissions expenses)	006	9,587,886	9,587,886	9,280,722	9,280,722
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	007	0	0	0	0
Gains or (-) losses on financial assets and liabilities held for trading, net	008	907,178	907,178	808,597	808,597
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss, net	009	-36,986	-36,986	-88	-88
Gains or (-) losses on derecognition of financial assets and liabilities at fair value through profit or loss, net	010	0	0	0	0
Gains or (-) losses from hedge accounting, net	011	0	0	0	0
Exchange rate differences [gain or (-) loss], net	012	-8,981	-8,981	626,170	626,170
Gains or (-) losses on derecognition of investments in subsidiaries, joint ventures and associates, net	013	0	0	0	0
Gains or (-) losses on derecognition of non-financial assets, net	014	0	0	10,338	10,338
Other operating income	015	297,456	297,456	280,988	280,988
(Other operating expenses)	016	891,386	891,386	744,736	744,736
<b>Total operating income, net (1 – 2 – 3 + 4 + 5 – 6 + from 7 to 15 – 16)</b>	<b>017</b>	<b>31,502,566</b>	<b>31,502,566</b>	<b>55,056,023</b>	<b>55,056,023</b>
(Administrative expenses)	018	15,329,293	15,329,293	22,668,673	22,668,673
(Cash contributions to resolution boards and deposit guarantee schemes)	019	363,060	363,060	0	0
(Depreciation)	020	2,342,255	2,342,255	3,768,663	3,768,663
Modification gains or (-) losses, net	021	-151,931	-151,931	-73,940	-73,940
(Provisions or (-) reversal of provisions)	022	-3,189,912	-3,189,912	-1,027,102	-1,027,102
(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)	023	-1,609,154	-1,609,154	736,703	736,703
(Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates)	024	0	0	0	0
(Impairment or (-) reversal of impairment on non-financial assets)	025	0	0	0	0
Negative goodwill recognised in profit or loss	026	0	0	0	0
Share of the profit or (-) losses of investments in subsidiaries, joint ventures and associates accounted for using the equity method	027	0	0	0	0
Profit or (-) loss from fixed assets and disposal groups classified as held for sale not qualifying as discontinued operations	028	0	0	0	0
Profit or (-) loss before tax from continuing operations (17 – 18 to 20 + 21 - from 22 to 25 + from 26 to 28)	029	18,115,093	18,115,093	28,835,146	28,835,146
(Tax expense or (-) income related to profit or loss from continuing operations)	030	131,174	131,174	4,977,722	4,977,722
Profit or (-) loss after tax from continuing operations (29 – 30)	031	17,983,919	17,983,919	23,857,424	23,857,424
Profit or (-) loss after tax from discontinued operations (33 – 34)	032	0	0	0	0
Profit or (-) loss before tax from discontinued operations	033	0	0	0	0
(Tax expense or (-) income related to discontinued operations)	034	0	0	0	0
Profit or (-) loss for the year (31 + 32; 36 + 37)	035	17,983,919	17,983,919	23,857,424	23,857,424
Attributable to minority interest [non-controlling interests]	036	0	0	0	0
Attributable to owners of the parent	037	17,983,919	17,983,919	23,857,424	23,857,424
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME</b>					
Income or (-) loss for the current year	038	17,983,919	17,983,919	23,857,424	23,857,424
<b>Other comprehensive income (40+ 52)</b>	<b>039</b>	<b>273,580</b>	<b>273,580</b>	<b>243,671</b>	<b>243,671</b>
<b>Items that will not be reclassified to profit or loss (from 41 to 47 + 50 + 51)</b>	<b>040</b>	<b>273,580</b>	<b>273,580</b>	<b>243,671</b>	<b>243,671</b>
Tangible assets	041	0	0	0	0
Intangible assets	042	0	0	0	0
Actuarial gains or (-) losses on defined benefit pension plans	043	0	0	0	0
Fixed assets and disposal groups classified as held for sale	044	0	0	0	0
Share of other recognised income and expense of entities accounted for using the equity method	045	0	0	0	0
Fair value changes of equity instruments measured at fair value through other comprehensive income	046	356,813	356,813	350,992	350,992
value through other comprehensive income, net	047	0	0	0	0
other comprehensive income [hedged item]	048	0	0	0	0
other comprehensive income [hedging instrument]	049	0	0	0	0
Fair value changes of financial liabilities measured at fair value through profit or loss attributable to changes in their credit risk	050	0	0	0	0
Income tax relating to items that will not be reclassified	051	-83,233	-83,233	-107,321	-107,321
<b>Items that may be reclassified to profit or loss (from 53 to 60)</b>	<b>052</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Hedge of net investments in foreign operations [effective portion]	053	0	0	0	0
Foreign currency translation	054	0	0	0	0
Cash flow hedges [effective portion]	055	0	0	0	0
Hedging instruments [not designated elements]	056	0	0	0	0
Debt instruments at fair value through other comprehensive income	057	0	0	0	0
Fixed assets and disposal groups classified as held for sale	058	0	0	0	0
Share of other recognised income and expense of investments in subsidiaries, joint ventures and associates	059	0	0	0	0
Income tax relating to items that may be reclassified to profit or (-) loss	060	0	0	0	0
<b>Total comprehensive income for the current year (38 + 39; 62 + 63)</b>	<b>061</b>	<b>18,257,499</b>	<b>18,257,499</b>	<b>24,101,095</b>	<b>24,101,095</b>
Attributable to minority interest [non-controlling interest]	062	0	0	0	0
Attributable to owners of the parent	063	18,257,499	18,257,499	24,101,095	24,101,095



**STATEMENT OF CASH FLOW**  
for the period 01.01.2024 to 31.03.2024.

in EUR

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

Item	ADP code	Same period of the previous year	At the reporting date of the current period
1	2	3	4
<b>Operating activities - direct method</b>			
Interest received and similar receipts	001		
Fees and commissions received	002		
(Interest paid and similar expenditures)	003		
(Fees and commissions paid)	004		
(Operating expenses paid)	005		
Net gains/losses from financial instruments at fair value through statement of profit or loss	006		
Other receipts	007		
(Other expenditures)	008		
<b>Operating activities - indirect method</b>			
Profit/(loss) before tax	009	18,115,093	28,835,146
Adjustments:		0	0
Impairment and provisions	010	-4,647,135	-290,399
Depreciation	011	2,342,255	3,768,663
Net unrealised (gains)/losses on financial assets and liabilities at fair value through statement of profit or loss	012	-870,192	-808,509
(Profit)/loss from the sale of tangible assets	013	0	-10,338
Other non-cash items	014	-25,286,543	-47,029,169
<b>Changes in assets and liabilities from operating activities</b>			
Deposits with the Croatian National Bank	015	0	0
Deposits with financial institutions and loans to financial institutions	016	0	0
Loans and advances to other clients	017	-10,604,560	46,513,898
Securities and other financial instruments at fair value through other comprehensive income	018	-1,404,759	-350,326
Securities and other financial instruments held for trading	019	33,860	-365,112
Securities and other financial instruments at fair value through statement of profit or loss, not traded	020	0	0
Securities and other financial instruments mandatorily at fair value through statement of profit or loss	021	0	-15,295
Securities and other financial instruments at amortised cost	022	-8,728,857	-846,028
Other assets from operating activities	023	-4,820,994	3,684,171
Deposits from financial institutions	024	-77,253,256	-6,779,136
Transaction accounts of other clients	025	506,620,493	-382,199,292
Savings deposits of other clients	026	-934,097,878	-16,671,738
Time deposits of other clients	027	79,170,314	129,729,635
Derivative financial liabilities and other liabilities held for trading	028	-184,848	216,154
Other liabilities from operating activities	029	241,854,824	-1,296,901
Interest received from operating activities [indirect method]	030	27,560,990	65,216,059
Dividends received from operating activities [indirect method]	031	79,823	5,572
Interest paid from operating activities [indirect method]	032	-2,274,447	-18,744,692
(Income tax paid)	033	0	0
<b>Net cash flow from operating activities (from 1 to 33)</b>	<b>034</b>	<b>-194,395,817</b>	<b>-197,437,637</b>
<b>Investing activities</b>			
Cash receipts from the sale / payments for the purchase of tangible and intangible assets	035	-6,339,435	-3,187,699
Cash receipts from the sale / payments for the purchase of investments in branches, associates and joint ventures	036	0	0
Cash receipts from the sale / payments for the purchase of securities and other financial instruments held to maturity	037	0	0
Dividends received from investing activities	038	0	0
Other receipts/payments from investing activities	039	0	0
<b>Net cash flow from investing activities (from 35 to 39)</b>	<b>040</b>	<b>-6,339,435</b>	<b>-3,187,699</b>
<b>Financing activities</b>			
Net increase/(decrease) in loans received from financing activities	041	4,676,845	-30,058,759
Net increase/(decrease) in debt securities issued	042	0	0
Net increase/(decrease) in Tier 2 capital instruments	043	0	0
Increase in share capital	044	0	0
(Dividends paid)	045	0	0
Other receipts/(payments) from financing activities	046	0	0
<b>Net cash flow from financing activities (from 41 to 46)</b>	<b>047</b>	<b>4,676,845</b>	<b>-30,058,759</b>
<b>Net increase/(decrease) of cash and cash equivalents (34 + 40 + 47)</b>	<b>048</b>	<b>-196,058,407</b>	<b>-230,684,095</b>
<b>Cash and cash equivalents at the beginning of period</b>	<b>049</b>	<b>1,325,718,840</b>	<b>3,103,793,849</b>
Effect of exchange rate fluctuations on cash and cash equivalents	050	-8,981	5,647
<b>Cash and cash equivalents at the end of period (48 + 49 + 50)</b>	<b>051</b>	<b>1,129,651,452</b>	<b>2,873,115,401</b>

**STATEMENT OF CHANGES IN EQUITY**  
for the period from to 31.3.2024

in EUR

Sources of equity changes	ADP code	Attributable to owners of the parent											Non-controlling interest		Total
		Equity	Share premium	Equity instruments issued other than capital	Other equity	Accumulated other comprehensive income	Retained profit	Revaluation reserves	Other reserves	(-) Treasury shares	Profit or (-) loss attributable to owners of the parent	(-) Interim dividends	Accumulated other comprehensive income	Other items	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Opening balance [before restatement]	001	161,970,000	0	0	0	8,645,102	194,508,595	0	87,998,143	0	80,615,055	0	0	0	533,736,895
Effects of error corrections	002	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Effects of changes in accounting policies	003	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Opening balance [current period] (1 + 2 + 3)	004	161,970,000	0	0	0	8,645,102	194,508,595	0	87,998,143	0	80,615,055	0	0	0	533,736,895
Ordinary shares issue	005	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Preference shares issue	006	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Issue of other equity instruments	007	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Exercise or expiration of other equity instruments issued	008	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Conversion of receivables to equity instruments	009	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital reduction	010	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dividends	011	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Purchase of treasury shares	012	0	0	0	0	0	0	0	0	-3,920	0	0	0	0	-3,920
Sale or cancellation of treasury shares	013	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reclassification of financial instruments from equity to liability	014	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reclassification of financial instruments from liability to equity	015	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers among components of equity	016	0	0	0	0	0	80,615,055	0	0	0	-80,615,055	0	0	0	0
Equity increase or (-) decrease resulting from business combinations	017	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Share based payments	018	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other increase or (-) decrease in equity	019	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total comprehensive income for the current year	020	0	0	0	0	243,671	0	0	0	0	23,857,424	0	0	0	24,101,095
Closing balance [current period] (from 4 to 20)	021	161,970,000	0	0	0	8,888,773	275,123,650	0	87,998,143	-3,920	23,857,424	0	0	0	557,834,070

**Notes to financial statements**

	<i>in EUR</i>					
<b>1) INTEREST INCOME</b>	Same period of the previous year		Current period 01.01. – 31.03.2024.			
AOP 001	01.01. - 31.01.2023.		01.01. - 31.03.2024.			
	Cumulative	Quarter	Cumulative	Quarter		
Debt securities	2,974,192	2,974,192	5,535,267	5,535,267		
Loans and advances	19,596,848	19,596,848	31,566,473	31,566,473		
Other assets	4,989,950	4,989,950	28,114,319	28,114,319		
Deposits	-	-	-	-		
Other liabilities	-	-	-	-		
<b>Total</b>	<b>27,560,990</b>	<b>27,560,990</b>	<b>65,216,059</b>	<b>65,216,059</b>		
<b>2) INTEREST EXPENSE</b>	Same period of the previous year		Current period 01.01. – 31.03.2024.			
AOP 002	01.01. - 31.01.2023.		01.01. - 31.03.2024.			
	Cumulative	Quarter	Cumulative	Quarter		
Debt securities	-	-	-	-		
Loans and advances	2,519	2,519	105	105		
Other assets	-	-	-	-		
Deposits	2,270,270	2,270,270	18,552,033	18,552,033		
Other liabilities	1,658	1,658	192,554	192,554		
<b>Total</b>	<b>2,274,447</b>	<b>2,274,447</b>	<b>18,744,692</b>	<b>18,744,692</b>		
<b>3) FEE AND COMMISSION INCOME</b>	Same period of the previous year		Current period 01.01. – 31.03.2024.			
AOP 005	01.01. - 31.01.2023.		01.01. - 31.03.2024.			
	Cumulative	Quarter	Cumulative	Quarter		
Securities	69,123	69,123	67,047	67,047		
Asset management	3,833	3,833	843	843		
Custody (according to the type of client)	141,801	141,801	163,322	163,322		
Loan commitments	1,213	1,213	3,071	3,071		
Other	15,240,836	15,240,836	16,643,654	16,643,654		
<b>Total</b>	<b>15,456,805</b>	<b>15,456,805</b>	<b>16,878,537</b>	<b>16,878,537</b>		
<b>4) FEE AND COMMISSION EXPENSE</b>	Same period of the previous year		Current period 01.01. – 31.03.2024.			
AOP 006	01.01. - 31.01.2023.		01.01. - 31.03.2024.			
	Cumulative	Quarter	Cumulative	Quarter		
Bank clearing and settlement	76,511	76,511	128,631	128,631		
Other	9,511,374	9,511,374	9,152,091	9,152,091		
<b>Total</b>	<b>9,587,885</b>	<b>9,587,885</b>	<b>9,280,722</b>	<b>9,280,722</b>		
<b>5) GAIN/LOSSES ON TERMINATION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES</b>	Same period of the previous year		Current period 01.01. – 31.03.2024.			
AOP 007	01.01. - 31.01.2023.		01.01. - 31.03.2024.			
	Cumulative	Quarter	Cumulative	Quarter		
Debt securities	-	-	-	-		
Loans and advances	-	-	-	-		
Deposits	-	-	-	-		
Debt Securities issued	-	-	-	-		
Other financial liabilities	-	-	-	-		
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>6) GAINS OR (-) LOSSES ON FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING</b>	Same period of the previous year		Current period 01.01. – 31.03.2024.			
AOP 008	01.01. - 31.01.2023.		01.01. - 31.03.2024.			
	Cumulative	Quarter	Cumulative	Quarter		
Equity instruments	560,971	560,971	1,143,802	1,143,802		
Debt securities	4,146	4,146	(42,211)	(42,211)		
FX transactions and derivatives	342,061	342,061	(292,994)	(292,994)		
<b>Total</b>	<b>907,178</b>	<b>907,178</b>	<b>808,597</b>	<b>808,597</b>		
<b>7) GAINS OR LOSSES ON NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS</b>	Same period of the previous year		Current period 01.01. – 31.03.2024.			
AOP 009	01.01. - 31.01.2023.		01.01. - 31.03.2024.			
	Cumulative	Quarter	Cumulative	Quarter		
Equity instruments	-	-	-	-		
Debt securities	-	-	-	-		
Loans and advances	(36,986)	(36,986)	(88)	(88)		
<b>Total</b>	<b>(36,986)</b>	<b>(36,986)</b>	<b>(88)</b>	<b>(88)</b>		
<b>8) OPERATING EXPENSES</b>	Same period of the previous year		Current period 01.01. – 31.03.2024.			
AOP 015 & AOP 017 & AOP 018	01.01. - 31.01.2023.		01.01. - 31.03.2024.			
	Cumulative	Quarter	Cumulative	Quarter		
Other operating expenses	891,386	891,386	744,736	744,736		
Administrative expenses	15,329,293	15,329,293	22,668,673	22,668,673		
Employees expenses	8,804,506	8,804,506	13,285,601	13,285,601		
Other administrative expenses	6,524,987	6,524,987	9,383,071	9,383,071		
(Contributions in cash rehabilitation committees and Deposit Insurance Scheme)	363,060	363,060	-	-		
Amortization	2,342,255	2,342,255	3,768,663	3,768,663		
Property, plant and equipment	1,571,302	1,571,302	2,341,717	2,341,717		
Investment property	-	-	-	-		
Other intangible assets	770,953	770,953	1,426,946	1,426,946		
<b>Total</b>	<b>18,925,994</b>	<b>18,925,994</b>	<b>27,182,071</b>	<b>27,182,071</b>		
<b>9) IMPAIRMENT LOSSES AND PROVISION EXPENSES</b>	Same period of the previous year		Current period 01.01. – 31.03.2024.			
AOP 019 & AOP 020 & AOP 021 & AOP 023	01.01. - 31.01.2023.		01.01. - 31.03.2024.			
	Cumulative	Quarter	Cumulative	Quarter		
Modification gains or (-) losses, net	(151,931)	(151,931)	(73,940)	(73,940)		
Financial assets at fair value through other comprehensive income	-	-	-	-		
Financial assets at amortized cost	(151,931)	(151,931)	(73,940)	(73,940)		
(Provisions or (-) reversal of provisions)	(3,189,912)	(3,189,912)	(1,027,102)	(1,027,102)		
Liabilities towards resolution committees and deposit insurance systems	-	-	-	-		
(Liabilities and Guarantees)	(2,341,899)	(2,341,899)	(182,728)	(182,728)		
(Other Provisions)	(848,012)	(848,012)	(844,374)	(844,374)		
(Impairment or (-) reversal of impairment on financial assets that are not measured at fair value through profit or loss)	(1,609,154)	(1,609,154)	736,703	736,703		
(Financial assets at fair value through other comprehensive income)	-	-	-	-		
(Financial assets at amortized cost)	(1,609,154)	(1,609,154)	736,703	736,703		
(Impairment or (-) reversal of impairment off of investments in subsidiaries, joint ventures, and associates)	-	-	-	-		
(Impairment or (-) reversal of impairment off non-financial assets)	-	-	-	-		
(Property, plant and equipment)	-	-	-	-		
(Investment property)	-	-	-	-		
(Goodwill)	-	-	-	-		
(Other intangible assets)	-	-	-	-		
(Other)	-	-	-	-		
<b>Total</b>	<b>(4,647,135)</b>	<b>(4,647,135)</b>	<b>(216,458)</b>	<b>(216,458)</b>		
<b>10) LOANS AND ADVANCES</b>	31.12.2023.		31.03.2024.			
AOP 023	31.12.2023.		31.03.2024.			
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Central banks	-	-	-	240,700	-	-
Mandatory reserve	-	-	-	-	-	-
Allowance	-	-	-	-	-	-
Other receivables	-	-	-	240,700	-	-
Allowance	-	-	-	-	-	-
<b>Government</b>	<b>448,859,075</b>	<b>1,773,846</b>	<b>2,846,111</b>	<b>440,353,996</b>	<b>1,110,136</b>	<b>2,820,388</b>
Gross loans	459,089,685	1,805,576	2,916,570	441,514,281	1,130,712	2,890,737
Allowance	(1,230,810)	(31,630)	(70,459)	(1,160,375)	(20,577)	(70,349)
<b>Credit institutions</b>	<b>1,564,563</b>	<b>-</b>	<b>168</b>	<b>2,397,558</b>	<b>-</b>	<b>-</b>
Gross loans	16,432	-	172	276,327	-	-
Allowance	(0)	-	(4)	-	-	-
Deposits	1,551,167	-	-	2,125,154	-	-
Allowance	(3,035)	-	-	(3,320)	-	-
<b>Other financial institutions</b>	<b>37,699,866</b>	<b>6,402</b>	<b>527</b>	<b>35,970,797</b>	<b>10,798</b>	<b>525</b>
Gross loans	35,792,179	11,336	132,772	34,007,986	11,017	136,359
Allowance	(197,853)	(4,934)	(132,245)	(189,318)	(219)	(135,835)
Deposits	2,157,717	-	-	2,056,420	-	-
Allowance	(52,138)	-	-	(53,291)	-	-
<b>Non - financial institutions</b>	<b>652,151,087</b>	<b>186,276,332</b>	<b>36,339,874</b>	<b>644,367,674</b>	<b>167,285,064</b>	<b>27,066,860</b>
Gross loans	661,450,783	195,925,509	98,793,546	653,212,257	175,200,936	87,041,283
Allowance	(9,299,697)	(9,649,177)	(82,460,672)	(8,844,583)	(7,915,872)	(59,974,424)
<b>Retail</b>	<b>1,273,097,668</b>	<b>255,463,828</b>	<b>34,225,225</b>	<b>1,282,282,533</b>	<b>243,843,340</b>	<b>31,963,812</b>
Gross loans	1,279,029,452	277,544,147	167,697,943	1,298,000,762	265,494,536	170,100,909
Allowance	(5,924,784)	(22,080,319)	(133,472,118)	(5,718,229)	(21,651,196)	(138,137,096)
<b>Total</b>	<b>2,413,372,259</b>	<b>443,520,509</b>	<b>73,404,905</b>	<b>2,405,613,168</b>	<b>412,249,337</b>	<b>61,851,585</b>
<b>11) NON-TRADING FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS</b>	31.12.2023.		31.03.2024.			
AOP 013	31.12.2023.		31.03.2024.			
Central banks	-	-	-	-		
Local state	-	-	-	-		
Credit institutions	-	-	-	-		
Other financial institutions	-	-	-	-		
Non - financial institutions	-	-	-	-		
Retail	490,500	505,795	-	-		
<b>Total</b>	<b>490,500</b>	<b>505,795</b>	<b>-</b>	<b>-</b>		
<b>12) DEPOSITS</b>	31.12.2023.		31.03.2024.			
AOP 044	31.12.2023.		31.03.2024.			
Central banks	73,698,625	73,744,756	-	-		
Local state	1,850,606,810	1,539,008,693	-	-		
Credit institutions	119,203,207	138,375,429	-	-		
Other financial institutions	317,689,710	335,421,741	-	-		
Non - financial institutions	897,267,392	762,698,697	-	-		
Retail	3,138,752,794	3,241,989,322	-	-		
<b>Total</b>	<b>6,397,218,638</b>	<b>6,091,239,347</b>	<b>-</b>	<b>-</b>		