



HPB Group 3M 2023

Investor information and unaudited Financial statements

Limitation of liability

- The information and data contained in this presentation are intended to be general background information on Hrvatska poštanska banka p.l.c. as the parent company of the Hrvatska poštanska banka Group (hereinafter referred to as the Bank, Group or HPB and its activities. It is supplied in summary form and therefore not necessarily complete. 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", "believes", "estimates", "predicts", "potential", or "continue" 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, no forward-looking statement can be guaranteed. Undue reliance should not be placed on these forward-looking statements. Many factors could cause our results of operations, financial condition, liquidity, and the development of the industries in which we compete, to 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 relating 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, therefore HPB hereby expressly makes no representation of warranty of any kind, including, but not limited to the accuracy, completeness or reliability of the provided information and data. This presentation is for information purposes only and contains neither a recommendation to buy or sell nor an offer of sale or subscription to shares nor does it constitute an invitation to make an offer to sell shares.
- This presentation has been prepared and the data checked with the greatest possible care. Nonetheless, rounding, transmission, typesetting and printing errors cannot be ruled out. In the summing up of rounded amounts and percentages, rounding-off differences may occur.
- From January 1, 2023 the euro was introduced as the official currency in the Republic of Croatia, and for the purposes of this presentation, the previous periods are prepared using a fixed HRK/EUR conversion rate where EUR 1 = HRK 7.53450.

| | |
|---|--|
| Type and name of prescribed information: | Consolidated financial statements for the period 1.1.2023 - 31.3.2023, HPB Group 3M 2022 Investor information and unaudited Financial statements |
| 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. (Bank), as the parent company of the Hrvatska poštanska banka Group (Group), publishes unaudited financial statements for the period from January 1 to March 31, 2023.

Original and official quarterly report is published in Croatian.

The report includes:

- Management report of HPB Group,
- Statement by persons responsible for compiling the report,
- Unaudited set of consolidated financial statements (balance sheet, profit or loss statement, statement of changes in equity, cash flow statement), and
- Notes to the consolidated 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 (NN 114/2018, 27/2021, 26/2022, 32/2023).

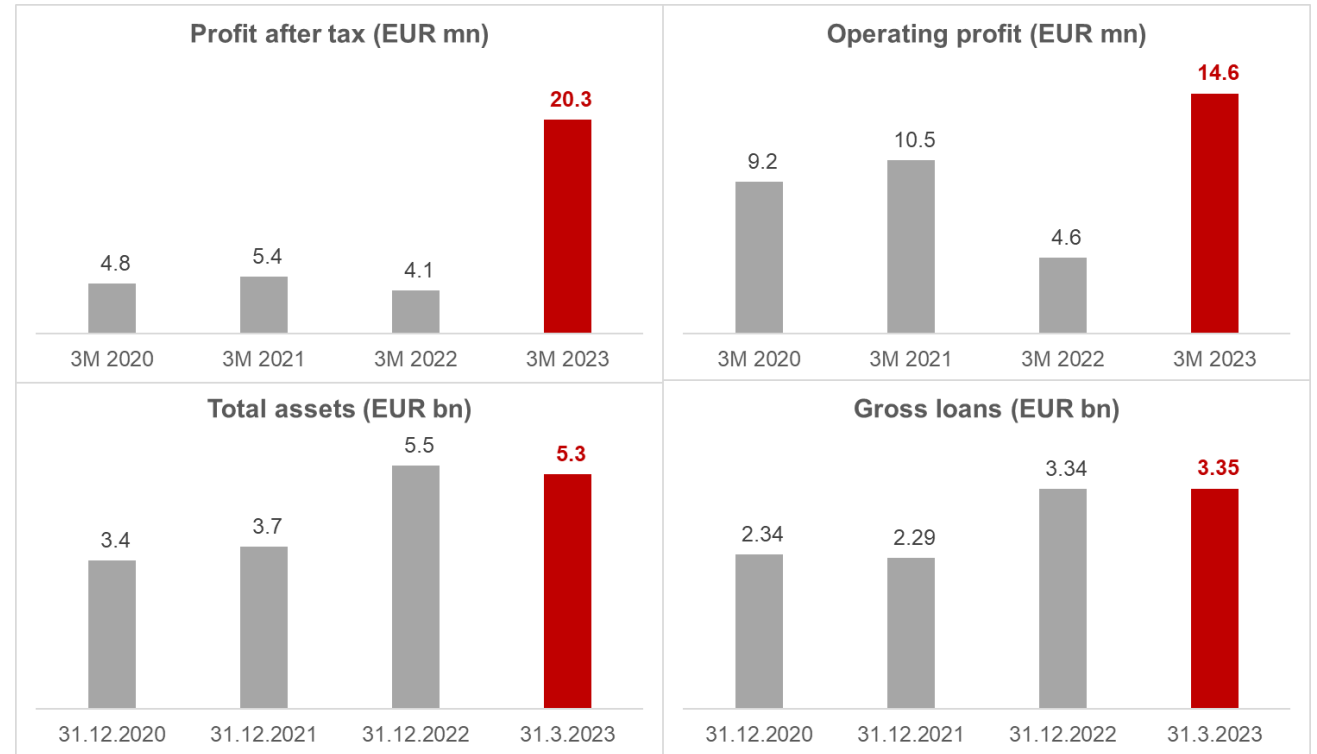
1 Executive Summary

2 Macroeconomic environment

3 Financials

The best quarter in the Group's history

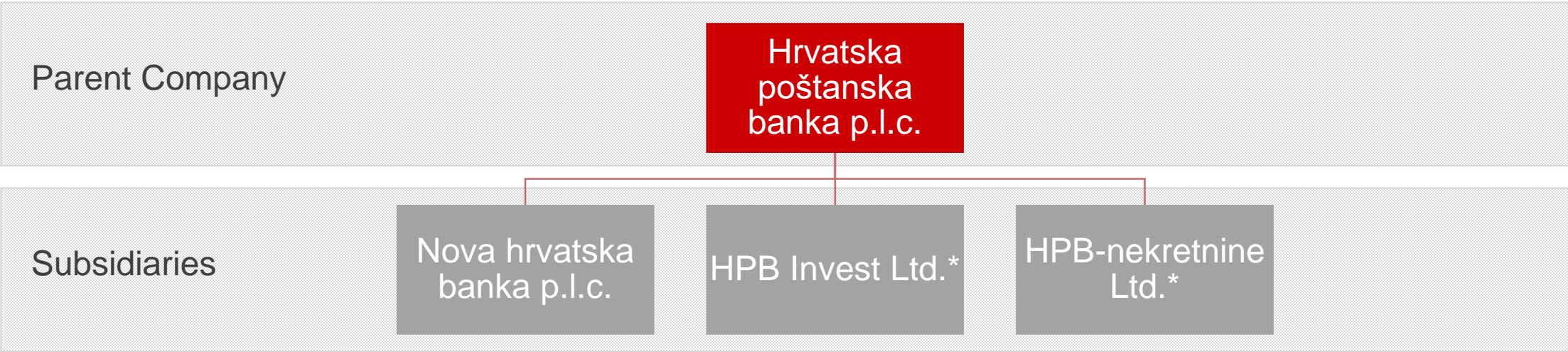
- Operating profit with high-quality credit portfolio management is the main driver of the historically highest **net profit** in the amount of **EUR 20.3 mn**
- **The Group's assets** amount to **EUR 5.3 bn** and are in line with the market trends of the system after the introduction of the euro
- **Excellent underwriting process** resulted in a low level of NPL ratio (6.2%) and coverage significantly above the market level (75.4%)
- Successfully **completed the process of merging Pronam nekretnine d.o.o.** the parent company
- **Expected legal merger of NHB** in the second half of 2023 in accordance with the approval of the regulator
- In April, **the first independent Sustainability Report for 2022** was published, which shows the activities, contributions and sustainability goals of the HPB Group



The graphs include the results of all HPB Group members on the reporting date or reporting period.

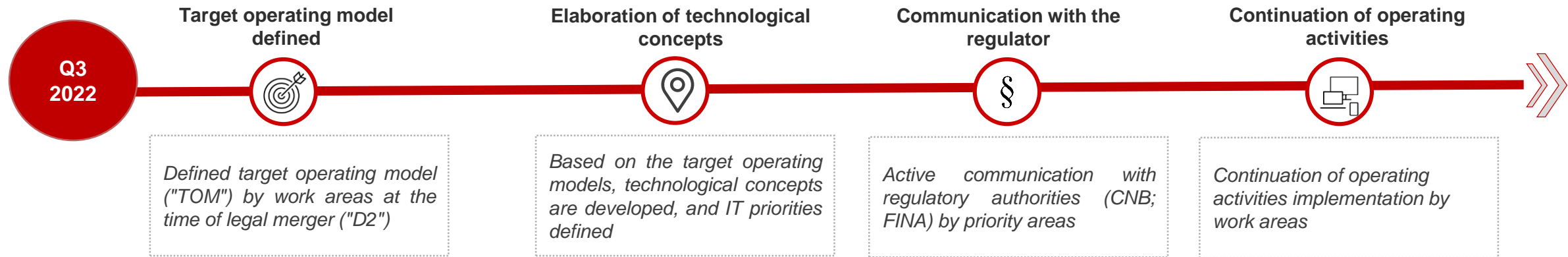
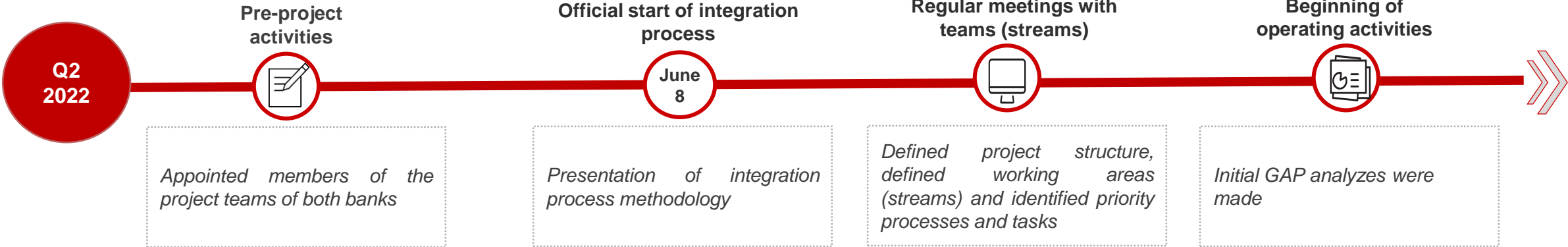
Obtained green light for merger of NHB

- **On April 12, 2023, the Croatian National Bank approved the merger of Nova Hrvatska banka** following the Merger Agreement signed by HPB and NHB on March 1, 2023, which continues the project activities that are a prerequisite for the legal merger to be technically secured and implemented
- **The merger process of Pronam Nekretnine d.o.o. has been completed**, which as of March 15, 2023 operates as an integral part of Hrvatska poštanska banka in accordance with the approval of the regulator, Hrvatska narodna banka from March 6, 2023
- HPB Group structure is presented below:

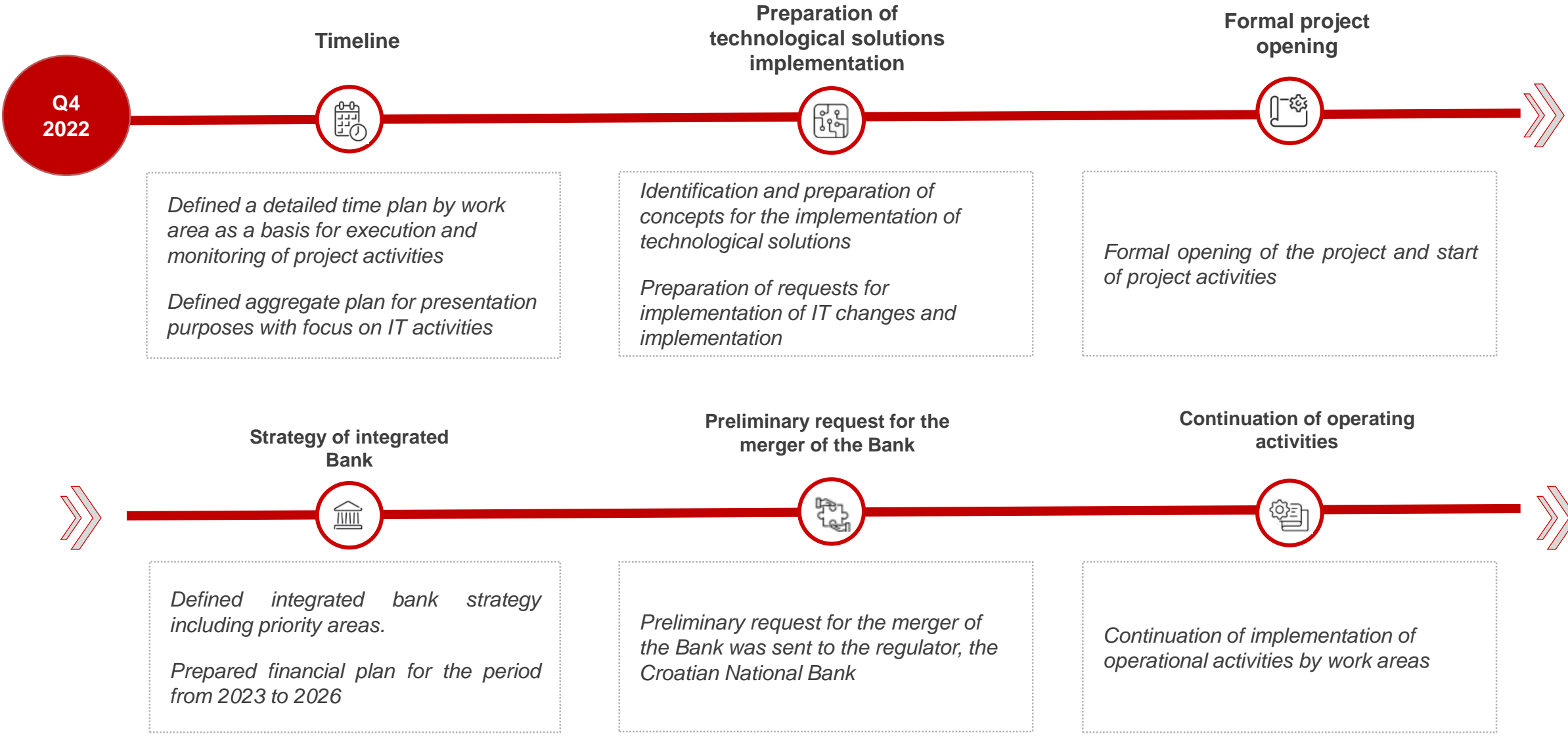


**Consolidated unaudited financial statements include the financial result of HPB and NHB, while other subsidiaries are exempted from consolidation in accordance with Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 Text with EEA relevance in these financial statements.*

Timeline of NHB's integration activities



Timeline of NHB's integration activities



Timeline of NHB's integration activities

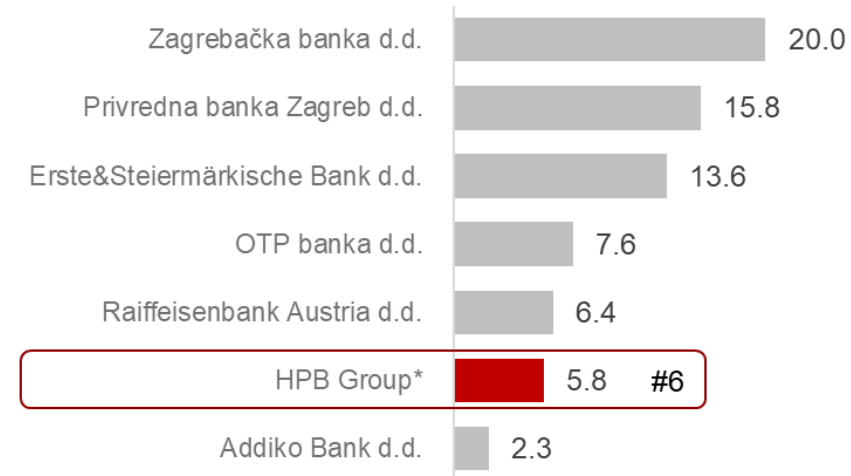


Q1 2023 key indicators

| | | 30.6.2022 | 30.9.2022 | 31.12.2022 | 31.3.2023 |
|------------------------|--------|-----------|-----------|------------|--------------|
| Assets | EUR mn | 5,033 | 5,478 | 5,541 | 5,333 |
| Net loans to customers | EUR mn | 2,908 | 3,011 | 3,063 | 3,058 |
| Deposits | EUR mn | 4,121 | 4,613 | 4,644 | 4,420 |
| Equity | EUR mn | 444 | 441 | 456 | 477 |
| NPL ratio | % | 6.9 | 6.3 | 6.1 | 6.5 |
| NPL coverage | % | 74.4 | 76.5 | 75.1 | 75.2 |

| | | Q3 2022 | Q4 2022 | Q1 2023 |
|------------------|--------|---------|---------|---------|
| Total income | EUR mn | 54.0 | 52.2 | 56.8 |
| Operating income | EUR mn | 13.0 | (0.3) | 17.1 |
| Net profit | EUR mn | 7.5 | (22.4) | 20.5 |

Market share by total assets as of 31.12.2022 (in EUR bn)

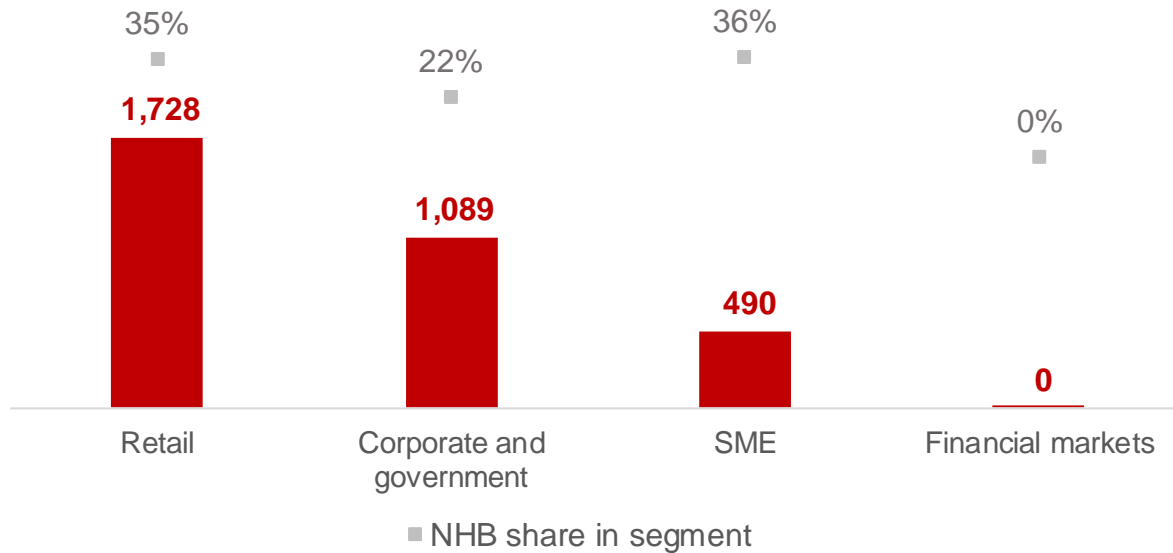


* Include consolidated data HPB + NHB as of 31.12.2022

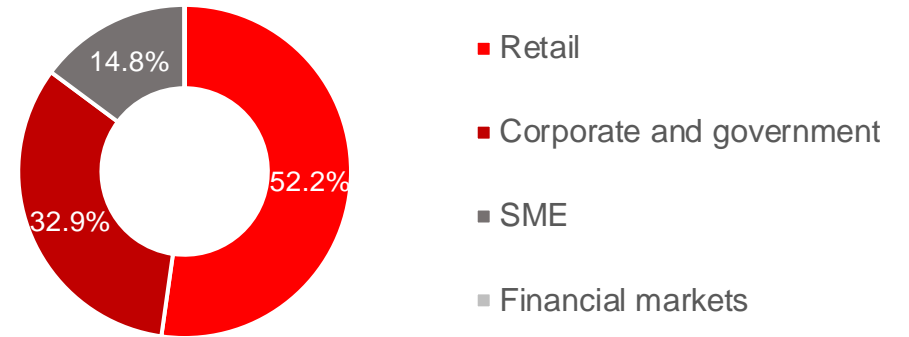
- Robust liquidity of the Group with a high reference ratio - consolidated LCR 175.6
- Total income increased by EUR 5 mn compared to the previous quarter, which is a reflection of the strong growth of interest income (core business) due to the increase in reference interest rates by the European Central Bank and intensive acquisition activities in previous periods
- As a result of increased income, the cost-to-income ratio improved significantly
- Operating profit with prudent credit risk management, the main driver of realized net profit in the amount of EUR 20.5 mn

Gross loan portfolio structure

Gross loans by segment (in EUR mn)



Gross loan structure by segment
31.3.2023



- Development of gross loan portfolio on 2022 level
- **Gross retail loans dominate the total loans**, which is the result of the parent company's strategic focus on this segment of clients

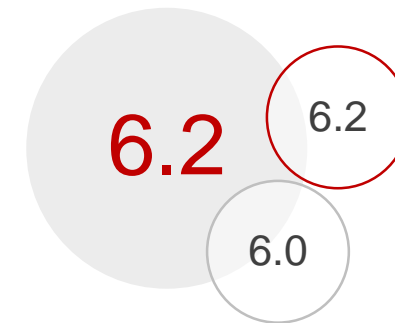
Quality loan portfolio with a high NPL coverage

| | | 30.6.2022 | 30.9.2022 | 31.12.2022 | 31.3.2023 |
|--------------------------------|--------|-----------|-----------|------------|-----------|
| Exposure (total loans) ** | EUR mn | 4,180 | 4,574 | 4,697 | 4,721 |
| Total NPL stock | EUR mn | 290 | 287 | 288 | 291 |
| NPL % | % | 6.9 | 6.3 | 6.1 | 6.2 |
| Loss allowance for loans | EUR mn | (261) | (267) | (271) | (273) |
| NPL provision | EUR mn | (215) | (219) | (216) | (219) |
| PL provision | EUR mn | (45) | (48) | (54) | (53) |
| NPL Coverage | % | 74.4 | 76.5 | 75.1 | 75.4 |
| NPLs not covered by provisions | EUR mn | 29 | 20 | 17 | 18 |
| CET 1 | EUR mn | 306 | 305 | 345 | 449 |
| Uncovered NPLs to CET 1 | % | 9.5 | 6.4 | 5.0 | 3.9 |

Source FINREP regulatory reporting

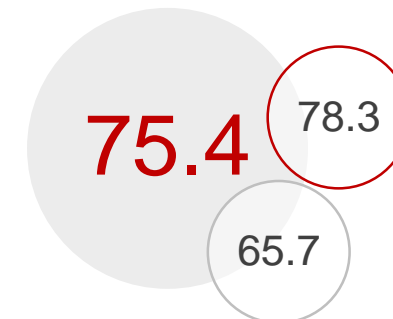
- Achieved a solid NPL share of 6.2%, with an unchanged NPL level despite the challenging economic environment, the transition to a client approach in the previous year, mainly due to the negligible entry of new exposures into the NPL portfolio
- NPL coverage significantly above Croatian market average

NPL ratio (in %)



Market NPL ratio* 3.0%

NPL coverage (in %)



Market NPL coverage* 67.0%

○ HPB ○ NHB

* as at 31.12.2022

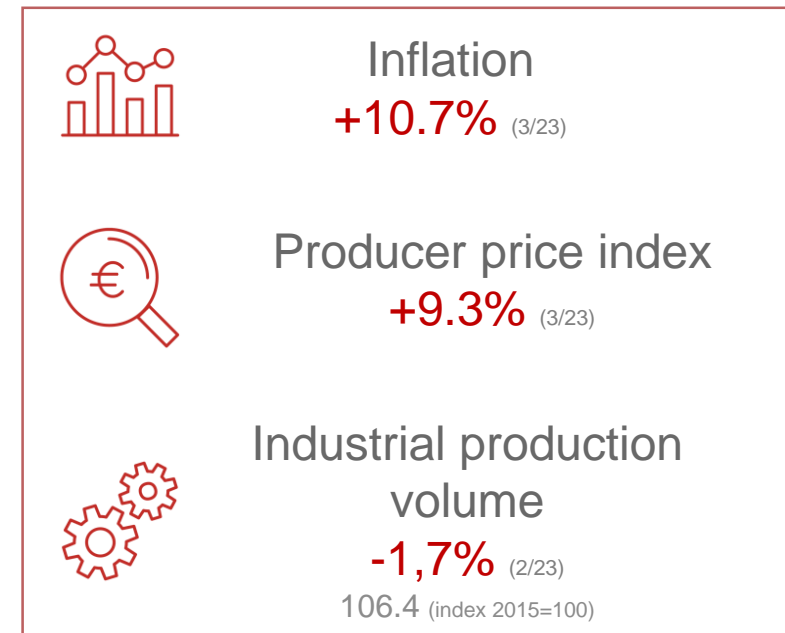
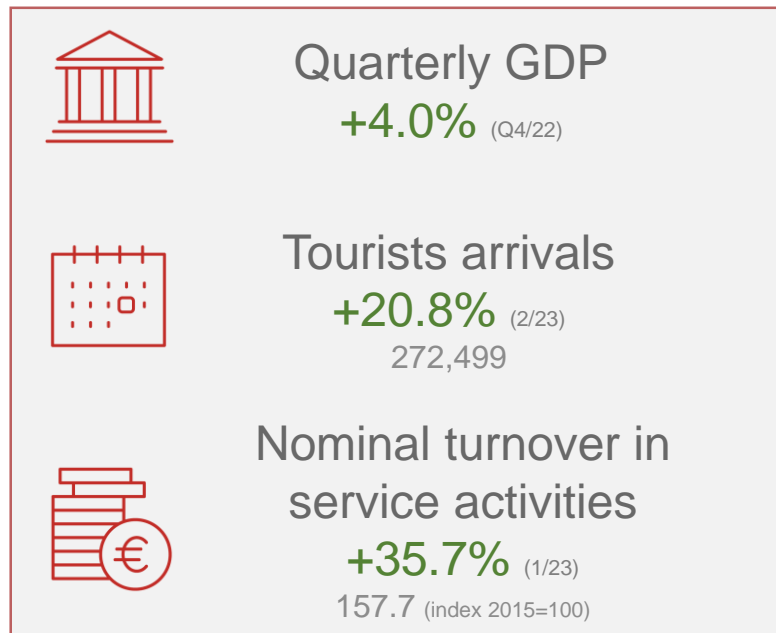
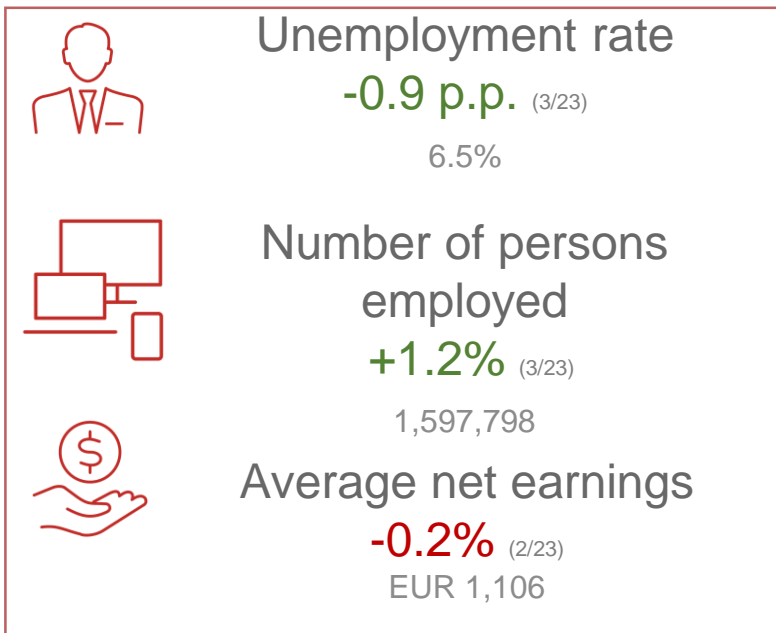
** Total loan exposure includes funds in central banks and other demand deposits as well as gross interest, fees and other receivables that are not included in management report

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Economic indicators (y-o-y)

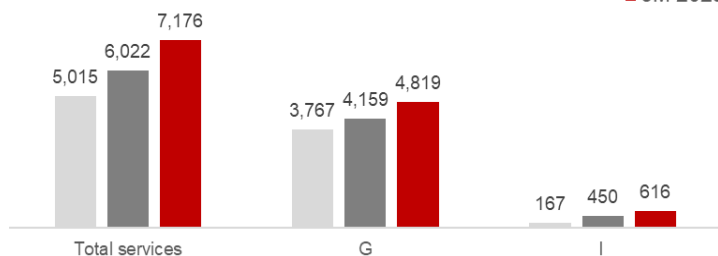


Source: Croatian Bureau of Statistics <https://www.dzs.hr/eng> (December 2022, January, February and March 2023)

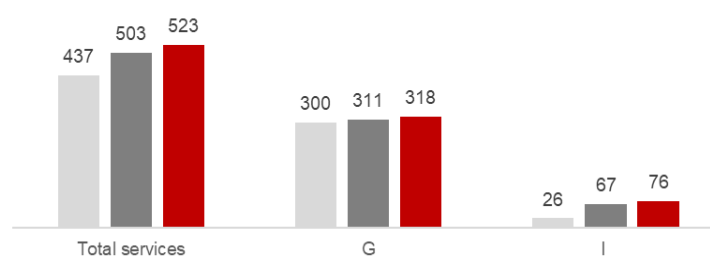
Fiscalization system data

Account balance* (in EUR bn)

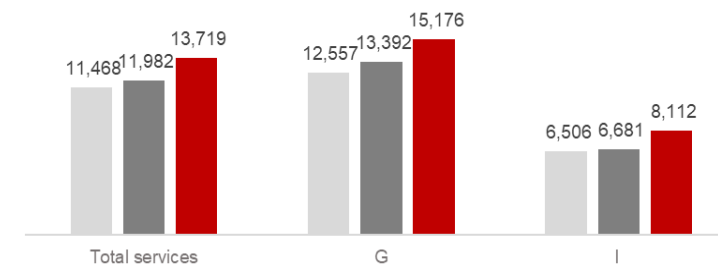
■ 3M 2021
■ 3M 2022
■ 3M 2023



Number of accounts* (in mn)



Average account balance* (in EUR)



*Source: <https://www.porezna-uprava.hr/Dokumenti> (data for 3M 2021, 2022 and 2023)

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

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Realized net profit of EUR 20.5 mn

| | | 3M 2020 | 3M 2021 | 3M 2022 | 3M 2023* |
|------------------------------|----------------|---------------|---------------|---------------|---------------|
| Net interest income | mil eur | 18.3 | 18.0 | 16.7 | 34.7 |
| Net fee income | mil eur | 5.6 | 5.5 | 5.8 | 7.7 |
| Net trading income/(expense) | mil eur | 0.7 | 2.0 | (1.7) | 0.8 |
| Net other income/(expense) | mil eur | 0.1 | (0.4) | (0.4) | (0.7) |
| Operating income | mil eur | 25.8 | 25.0 | 20.4 | 42.5 |
| Employee expenses | mil eur | (7.3) | (7.6) | (8.0) | (12.1) |
| Administrative expenses | mil eur | (6.2) | (5.7) | (6.3) | (10.0) |
| Depreciation | mil eur | (1.9) | (1.4) | (1.6) | (2.6) |
| Deposit insurance | mil eur | (1.3) | (0.4) | (0.5) | (0.6) |
| Operating expenses | mil eur | (16.7) | (15.1) | (16.4) | (25.3) |
| Operating profit | mil eur | 9.1 | 9.9 | 4.0 | 17.1 |
| Provisioning | mil eur | (4.0) | (3.4) | 0.0 | 3.5 |
| Net profit | mil eur | 4.7 | 5.4 | 0.0 | 20.5 |
| Cost-to-income ratio | % | 64.6 | 60.5 | 80.4 | 59.6 |
| Return on asset (ROA) | % | 0.6 | 0.6 | 0.4 | 1.5 |
| Return on equity (ROE) | % | 6.1 | 6.4 | 4.8 | 17.2 |

* includes consolidated result of HPB + NHB

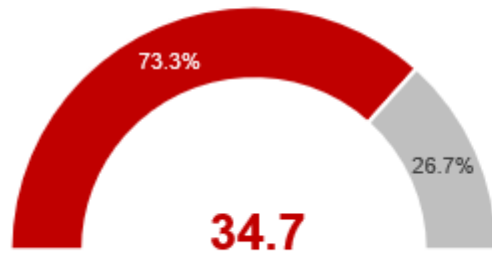
- **Realized net profit of HPB Group of EUR 20.5 mn** due to the contribution of the parent company (EUR 18 mn), with the positive effect of the provision on the quality underwriting process and efficient collection of NPLs
- Net interest income increased by EUR 5.5 mn (+19.1%) compared to the previous quarter, primarily due to the increase in the reference risk-free interest rates of the ECB
- Net fee and commission income in the first quarter amounted to EUR 8.2 mn, which is EUR 500 ths less compared to the previous quarter, and is the result of lower income from cash transactions in the large corporate and the public sector segment and SME segment which is the usual seasonal movement
- Realized profit from trading and securities and FX valuation in EUR 780 ths, of which in the FX segment a profit of EUR 527 ths, and in the securities segment a profit of EUR 253 ths due to a slight recovery of the capital market
- No income tax is presented in Q1 2023 because the tax shield is expected to be used for NHB's tax loss carryforwards from 2022 after the merger is implemented
- Effective management of operating costs (-23.8%) resulted in an excellent operating result in Q1 2023 of EUR 17.1 mn

Financial potential of HPB Group

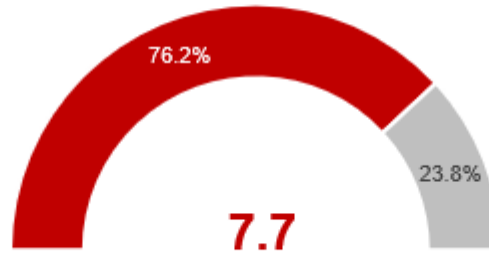
Composition of operating income (in EUR mn)

31.3.2023

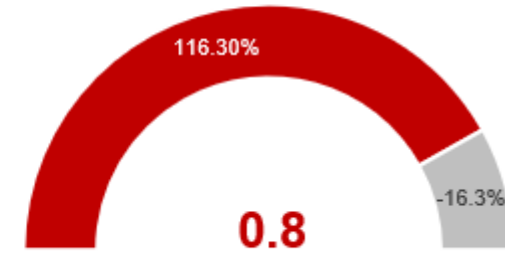
Net interest income



Net fee and commission income



Net trading loss

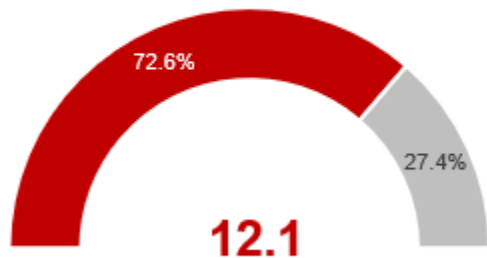


- Net other expenses amounts to EUR 0.7 mn and refers mostly to write-offs, asset impairment and acquisition costs

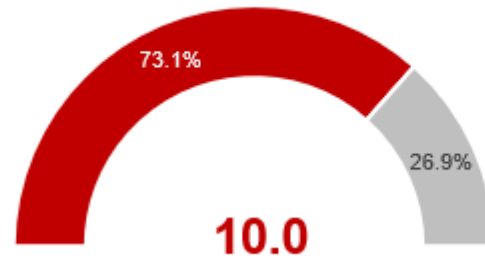
Composition of operating expenses (in EUR mn)

31.3.2023

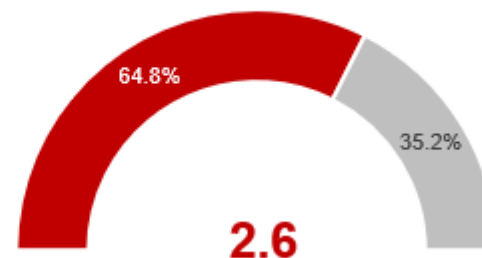
Employee expenses



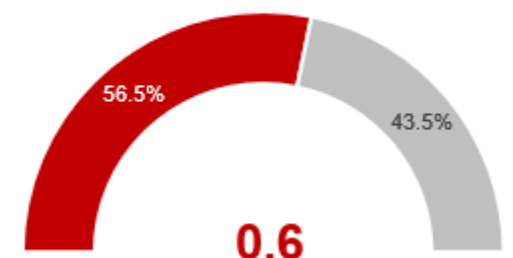
Administrative expenses



Depreciation



Deposit insurance

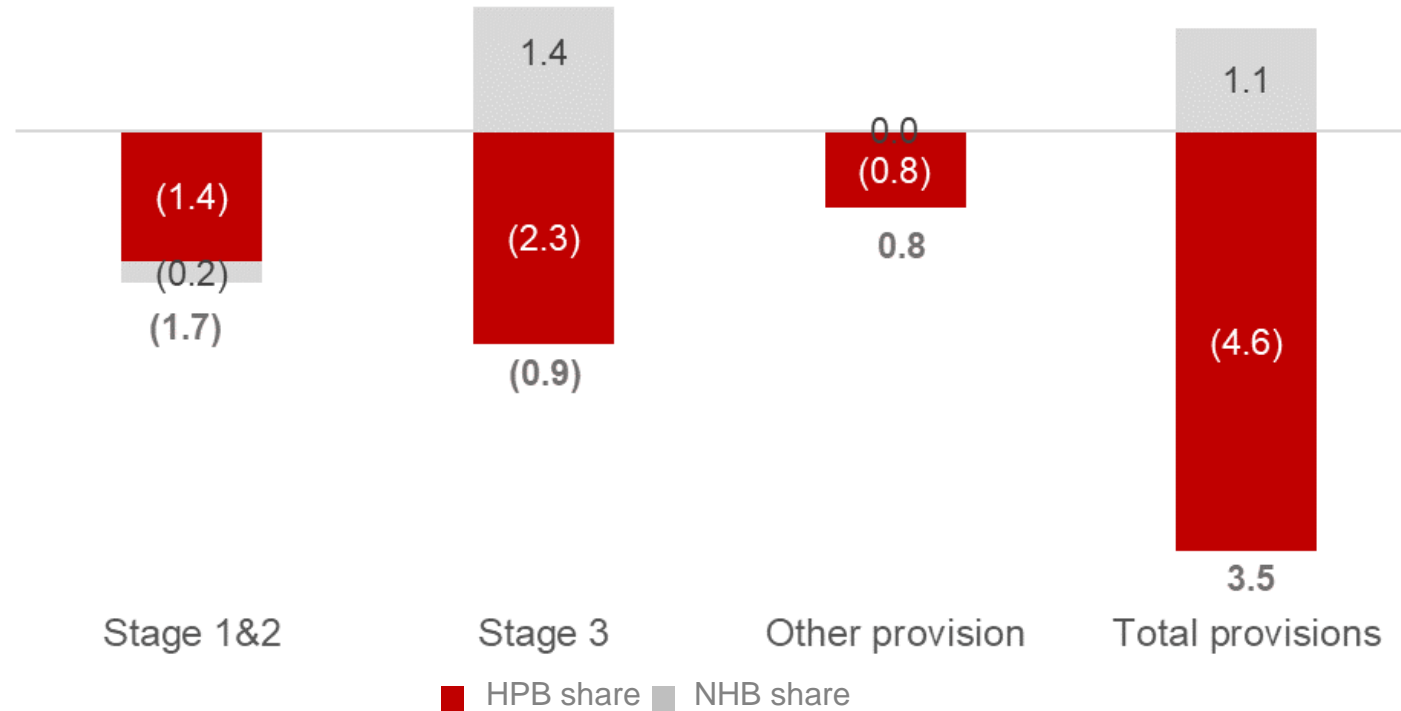


■ HPB share ■ NHB share

Structure of net provision expenses

(Reversal)/cost of provision (in EUR mn)

31.3.2023



- Stage 1&2 follow the regular movement of the portfolio; stage 3 under the influence of successful collection activities despite the decline in assets
- Other provisions mostly refer to regular provisions for legal cases. In the first quarter of 2023, the parent company generated income from suspensions of legal proceedings provisions for a legal case adjudicated in the bank's favor in the amount of EUR 1 mn

Asset level at EUR 5.3 bn

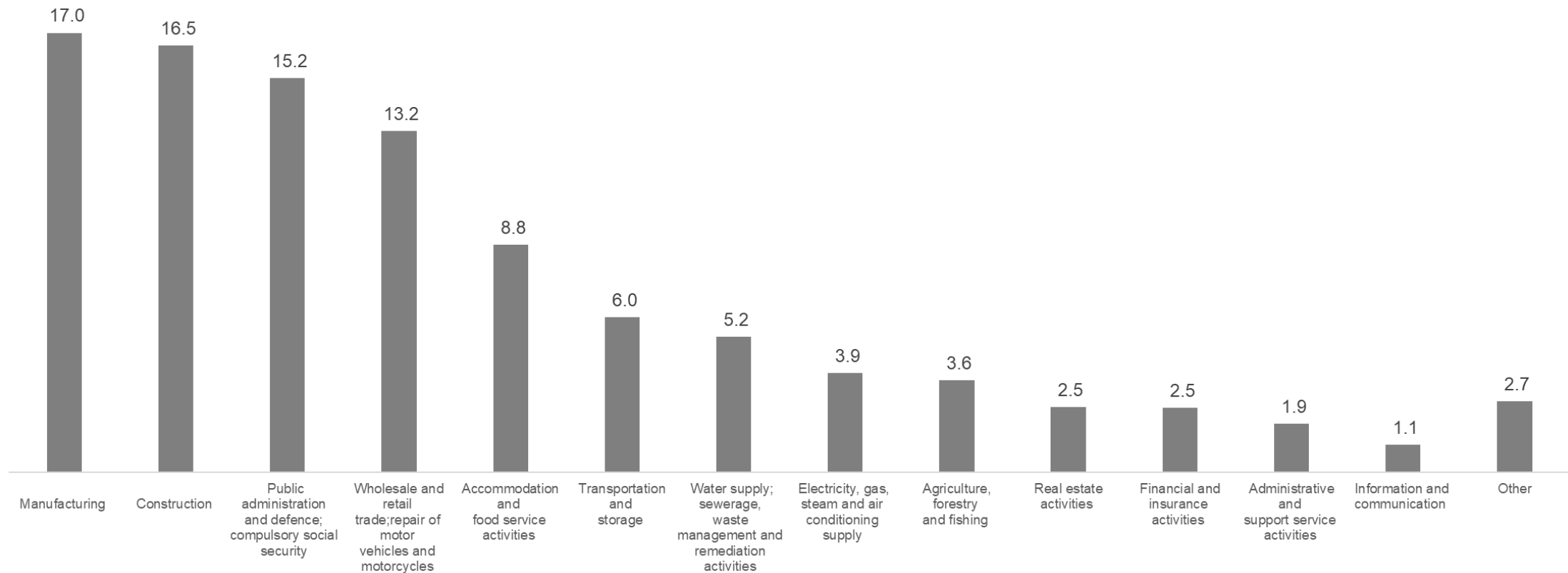
| | | 30.6.2022 | 30.9.2022 | 31.12.2022 | 31.3.2023 |
|--|---------------|--------------|--------------|--------------|--------------|
| Liquid assets | EUR mn | 1,206 | 1,542 | 1,514 | 1,291 |
| Securities | EUR mn | 809 | 807 | 867 | 878 |
| Gross loans | EUR mn | 3,149 | 3,257 | 3,312 | 3,308 |
| Net loans | EUR mn | 2,908 | 3,011 | 3,063 | 3,058 |
| Other assets | EUR mn | 110 | 118 | 97 | 106 |
| Total assets | EUR mn | 5,033 | 5,478 | 5,541 | 5,333 |
| Deposits | EUR mn | 4,121 | 4,613 | 4,644 | 4,420 |
| Loan liabilities | EUR mn | 357 | 314 | 325 | 323 |
| Other liabilities | EUR mn | 111 | 109 | 115 | 113 |
| Total liabilities | EUR mn | 4,589 | 5,036 | 5,085 | 4,856 |
| Paid-in capital | EUR mn | 161 | 161 | 161 | 161 |
| Accumulated other comprehensive income | EUR mn | (17) | (27) | 8 | 8 |
| Retained earnings | EUR mn | 65 | 70 | 72 | 199 |
| Other reserves | EUR mn | 93 | 88 | 88 | 88 |
| Profit or loss for the year | EUR mn | 6 | 14 | (9) | 20 |
| Badwill (Gain on bargain purchase) | EUR mn | 135 | 135 | 135 | - |
| Equity and reserves | EUR mn | 444 | 441 | 456 | 477 |
| Loan-to-deposit ratio | % | 70.6 | 65.3 | 66.0 | 69.2 |
| NPL ratio | % | 6.9 | 6.3 | 6.1 | 6.5 |
| NPL coverage | % | 74.4 | 76.5 | 75.1 | 75.2 |

HPB has no exposure to entities in Belarus, and has negligible exposure to entities in Russia and Ukraine NHB has low exposure to entities in Russia, Ukraine and Belarus (balance sheet 0.04% and off-balance sheet 0.20%)

- The group's assets are at the 2022 level and in line with market trends after the introduction of the euro
- A high-quality loan portfolio resulted in a low level of NPL share (6.2%) and coverage significantly above the market level (75.4%)
- Increase in securities due to the purchase of government bonds
- By merging Pronam Nekretnina d.o.o. the Bank acquired ownership of three office buildings, which is recorded in the position of other assets (EUR +7.7 mn)
- Gain from a bargain purchase realized in 2022 through the acquisition of NHB is an integral part of retained profit in 2023
- Capital adequacy at the consolidated level is 19.09%, and pro-forma with Q1 2023 net profit included is 20.03%

HPB Group continues to support the Croatian economy

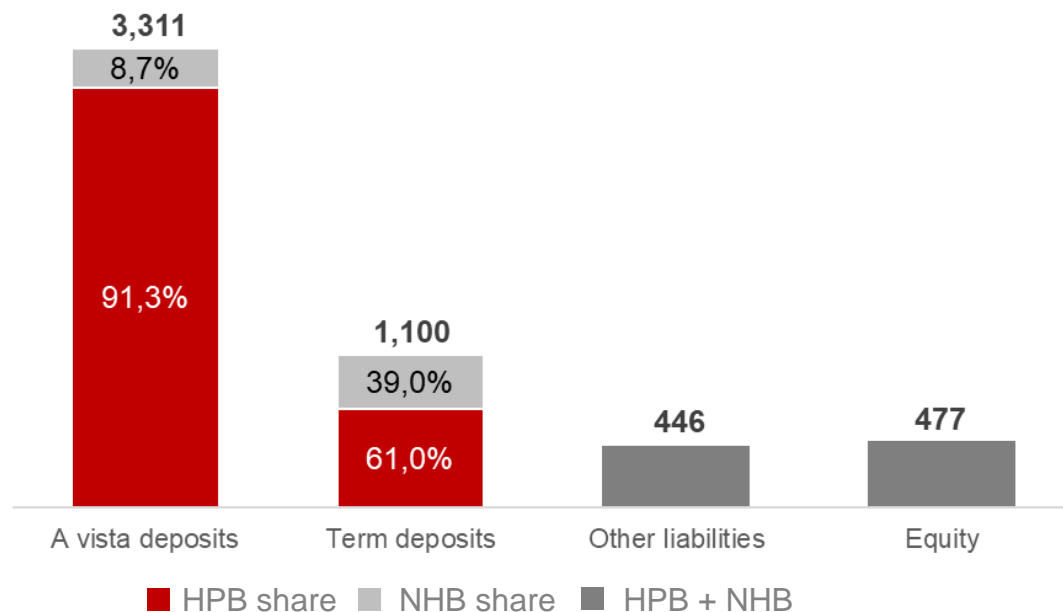
Corporate gross loans per industry (in %)
31.3.2023



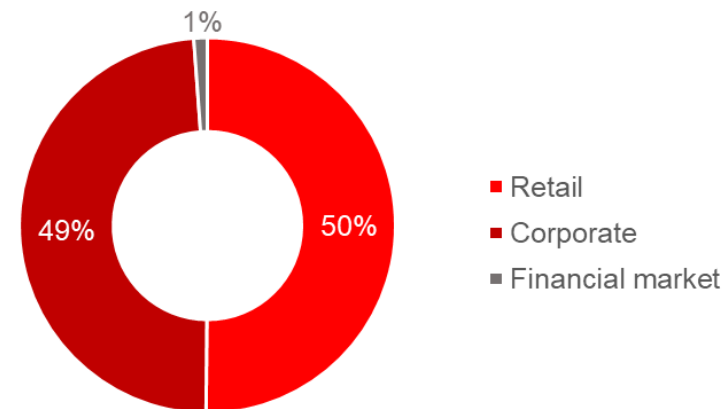
* Hrvatske autoceste are included in construction industry, with a share of 51.8% of the total exposure to that industry

Robust liquidity of the Group

Composition of equity and liabilities (in EUR mn)
31.3.2023



Deposit structure
31.3.2023



- **High share of client deposits (82.7%) in financing sources;** HPB's deposit structure is dominated by a vista deposits (81.0%), while NHB's deposit structure is dominated by term deposits (57.3%) due to longer fixed terms and attractive interest rates
- Other obligations relate primarily to loans received from credit institutions - HBOR, CNB repo placements and foreign financial institutions, and to MREL instruments that HPB began to contract in previous year with the aim of maintaining the prescribed levels of regulatory requirements

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

In accordance with the Capital Market Act, the Management Board of HPB p.l.c., the parent company of HPB Group, states that according to their best knowledge the set of consolidated unaudited financial statements for the period from January 1 to March 31, 2023, 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., as well as companies included in consolidation as a whole.

On behalf of HPB p.l.c., the parent company of HPB Group:

Marko Badurina

President of the Management Board

Anto Mihaljević

Member of the Management Board

Ivan Soldo

Member of the Management Board



Management report

HPB Group is, apart from the parent company – Hrvatska poštanska Banka p.l.c., consisted of Nova hrvatska banka (credit institution), HPB Invest (investment fund management) and HPB-nekretnine (real estate agency).

The HPB Group's net profit after tax is EUR 20.3 million. Net profit of the parent company amounts to EUR 18.0 million. Nova hrvatska banka realized a net profit of EUR 2.4 million, HPB Invest a net loss of EUR 48.8 thousand and HPB-Nekretnine a net profit of EUR 20.8 thousand.

Marko Badurina

President of the Management Board

Anto Mihaljević

Member of the Management Board

Ivan Soldo

Member of the Management Board

Annex 1**ISSUER'S GENERAL DATA**

Reporting period:

1.1.2023

do

31.3.2023

Year:

2023

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): 1813

Consolidated report: KD (KN-not consolidated/KD-consolidated)

Audited: RN (RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

| | | |
|--------------------------|-------------------------------------|-----------|
| HPB Invest d.o.o. | Strojarska cesta 20, 10000 Zagreb | 01972278 |
| HPB-nekretnine d.o.o. | Ulica Milana Amruša 8, 10000 Zagreb | 01972260 |
| Nova hrvatska banka d.d. | Varšavska ulica 9, 10000 Zagreb | 080126398 |

Bookkeeping firm: No (Yes/No)

(name of the bookkeeping firm)

Contact person: Filip Siladi
(only name and surname of the contact person)

Telephone: 014804670

E-mail address: filip.siladi@hpb.hr

Audit firm:
(name of the audit firm)Certified auditor:
(name and surname)

BALANCE SHEET
as at March 31, 2023

Submitter: Hrvatska poštanska banka p.l.c.

in EUR

| Item | AOP code | Last day of the preceding business year | At the reporting date of the current period |
|---|------------|---|---|
| 1 | 2 | 3 | 4 |
| Assets | | | |
| Cash, cash balances at central banks and other demand deposits (from 2 to 4) | 001 | 1,472,054,192 | 1,156,686,530 |
| Cash in hand | 002 | 151,842,426 | 169,539,818 |
| Cash balances at central banks | 003 | 1,306,514,207 | 973,850,940 |
| Other demand deposits | 004 | 13,697,559 | 13,295,772 |
| Financial assets held for trading (from 6 to 9) | 005 | 66,622,941 | 67,504,544 |
| Derivatives | 006 | 48,141 | 6,538 |
| Equity instruments | 007 | 12,505,659 | 13,066,630 |
| Debt securities | 008 | 54,069,141 | 54,431,376 |
| Loans and advances | 009 | - | - |
| Non-trading financial assets mandatorily at fair value through profit or loss (from 11 to 13) | 010 | 908,193 | 799,337 |
| Equity instruments | 011 | - | - |
| Debt securities | 012 | - | - |
| Loans and advances | 013 | 908,193 | 799,337 |
| Financial assets at fair value through profit or loss (15 + 16) | 014 | - | 500,000 |
| Debt securities | 015 | - | 500,000 |
| Loans and advances | 016 | - | - |
| Financial assets at fair value through other comprehensive income (from 18 to 20) | 017 | 3,807,605 | 4,035,307 |
| Equity instruments | 018 | 3,807,605 | 4,035,307 |
| Debt securities | 019 | - | - |
| Loans and advances | 020 | - | - |
| Financial assets at amortised cost (22 + 23) | 021 | 3,896,748,838 | 3,999,861,373 |
| Debt securities | 022 | 796,884,814 | 806,500,799 |
| Loans and advances | 023 | 3,099,864,024 | 3,193,360,574 |
| Derivatives - hedge accounting | 024 | - | - |
| Fair value changes of the hedged items in portfolio hedge of interest rate risk | 025 | - | - |
| Investments in subsidiaries, joint ventures and associates | 026 | 6 | 6 |
| Tangible assets | 027 | 55,270,903 | 58,254,291 |
| Intangible assets | 028 | 21,515,024 | 17,666,924 |
| Tax assets | 029 | 8,827,663 | 9,997,763 |
| Other assets | 030 | 14,327,104 | 18,846,005 |
| Fixed assets and disposal groups classified as held for sale | 031 | - | - |
| Total assets (1 + 5 + 10 + 14 + 17 + 21 + from 24 to 31) | 032 | 5,540,082,469 | 5,334,152,080 |
| Liabilities | | | |
| Financial liabilities held for trading (from 34 to 38) | 033 | 70,801 | 241,037 |
| Derivatives | 034 | 70,801 | 241,037 |
| Short positions | 035 | - | - |
| Deposits | 036 | - | - |
| Debt securities issued | 037 | - | - |
| Other financial liabilities | 038 | - | - |
| Financial liabilities at fair value through profit or loss (from 40 to 42) | 039 | - | - |
| Deposits | 040 | - | - |
| Debt securities issued | 041 | - | - |
| Other financial liabilities | 042 | - | - |
| Financial liabilities measured at amortised cost (from 44 to 46) | 043 | 4,978,861,244 | 4,757,603,847 |
| Deposits | 044 | 4,970,072,364 | 4,743,516,545 |
| Debt securities issued | 045 | - | - |
| Other financial liabilities | 046 | 8,788,880 | 14,087,302 |
| Derivatives - hedge accounting | 047 | - | - |
| Fair value changes of the hedged items in portfolio hedge of interest rate risk | 048 | - | - |
| Provisions | 049 | 55,140,852 | 48,828,982 |
| Tax liabilities | 050 | 1,469,513 | 1,320,151 |
| Share capital repayable on demand | 051 | - | - |
| Other liabilities | 052 | 47,641,375 | 48,820,945 |
| Liabilities included in disposal groups classified as held for sale | 053 | - | - |
| Total liabilities (33 + 39 + 43 + from 47 to 53) | 054 | 5,083,183,785 | 4,856,814,962 |
| Equity | | | |
| Capital | 055 | 161,228,350 | 161,228,350 |
| Share premium | 056 | - | - |
| Equity instruments issued other than capital | 057 | - | - |
| Other equity | 058 | - | - |
| Accumulated other comprehensive income | 059 | 8,020,695 | 8,294,275 |
| Retained profit | 060 | 73,124,786 | 199,625,637 |
| Revaluation reserves | 061 | - | - |
| Other reserves | 062 | 87,859,808 | 87,859,803 |
| (-) Treasury shares | 063 | - | - |
| Profit or loss attributable to owners of the parent | 064 | 126,665,045 | 20,329,053 |
| (--) Interim dividends | 065 | - | - |
| Minority interests [non-controlling interests] | 066 | - | - |
| Total equity (from 55 to 66) | 067 | 456,898,684 | 477,337,118 |
| Total equity and liabilities (54 + 67) | 068 | 5,540,082,469 | 5,334,152,080 |

STATEMENT OF PROFIT AND LOSS
for the period January 01, 2023 to March 31, 2023

Submitter: Hrvatska poštanska banka p.l.c.

in EUR

| Item | AOP code | Same period of the previous year | | Current period | |
|--|------------|----------------------------------|---------------------|-------------------|-------------------|
| | | Cumulative | Quarter | Cumulative | Quarter |
| 1 | 2 | 3 | 4 | 5 | 6 |
| Interest income | 001 | 17,486,408 | 17,486,408 | 37,873,101 | 37,873,101 |
| (Interest expenses) | 002 | 913,451 | 913,451 | 3,378,357 | 3,378,357 |
| (Expenses on share capital repayable on demand) | 003 | - | - | - | - |
| Dividend income | 004 | 3,776 | 3,776 | 4,823 | 4,823 |
| Fees and commissions income | 005 | 14,344,313 | 14,344,313 | 17,932,200 | 17,932,200 |
| (Fees and commissions expenses) | 006 | 8,283,560 | 8,283,560 | 10,293,493 | 10,293,493 |
| Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net | 007 | 303,411 | 303,411 | - | - |
| Gains or (-) losses on financial assets and liabilities held for trading, net | 008 | (1,979,472) | (1,979,472) | 595,372 | 595,372 |
| Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss, net | 009 | 8,843 | 8,843 | (36,986) | (36,986) |
| Gains or (-) losses on derecognition of financial assets and liabilities at fair value through profit or loss, net | 010 | - | - | - | - |
| Gains or (-) losses from hedge accounting, net | 011 | - | - | - | - |
| Exchange rate differences [gain or (-) loss], net | 012 | (439,331) | (439,331) | 175,579 | 175,579 |
| Gains or (-) losses on derecognition of investments in subsidiaries, joint ventures and associates, net | 013 | - | - | - | - |
| Gains or (-) losses on derecognition of non-financial assets, net | 014 | - | - | 4,755 | 4,755 |
| Other operating income | 015 | 572,081 | 572,081 | 609,883 | 609,883 |
| (Other operating expenses) | 016 | 235,583 | 235,583 | 916,048 | 916,048 |
| Total operating income, net (1 – 2 – 3 + 4 + 5 – 6 + from 7 to 15 – 16) | 017 | 20,867,435 | 20,867,435 | 42,570,829 | 42,570,829 |
| (Administrative expenses) | 018 | 13,806,127 | 13,806,127 | 23,994,106 | 23,994,106 |
| (Cash contributions to resolution boards and deposit guarantee schemes) | 019 | 461,754 | 461,754 | 643,122 | 643,122 |
| (Depreciation) | 020 | 2,378,182 | 2,378,182 | 3,577,683 | 3,577,683 |
| Modification gains or (-) losses, net | 021 | (370,396) | (370,396) | (249,369) | (249,369) |
| (Provisions or (-) reversal of provisions) | 022 | 627,909 | 627,909 | (6,216,150) | (6,216,150) |
| (Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss) | 023 | (1,034,864) | (1,034,864) | (144,256) | (144,256) |
| (Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates) | 024 | - | - | - | - |
| (Impairment or (-) reversal of impairment on non-financial assets) | 025 | - | - | - | - |
| Negative goodwill recognised in profit or loss | 026 | - | - | - | - |
| Share of the profit or (-) loss of investments in subsidiaries, joint ventures and associates accounted for using the equity method | 027 | - | - | - | - |
| Profit or (-) loss from fixed assets and disposal groups classified as held for sale not qualifying as discontinued operations | 028 | - | - | - | - |
| Profit or (-) loss before tax from continuing operations (17 – 18 to 20 + 21 – from 22 to 25 + from 26 to 28) | 029 | 4,257,931 | 4,257,931 | 20,466,955 | 20,466,955 |
| (Tax expense or (-) income related to profit or loss from continuing operations) | 030 | 134,370 | 134,370 | 137,902 | 137,902 |
| Profit or (-) loss after tax from continuing operations (29 – 30) | 031 | 4,123,561 | 4,123,561 | 20,329,053 | 20,329,053 |
| Profit or (-) loss after tax from discontinued operations (33 – 34) | 032 | - | - | - | - |
| Profit or (-) loss before tax from discontinued operations | 033 | - | - | - | - |
| (Tax expense or (-) income related to discontinued operations) | 034 | - | - | - | - |
| Profit or (-) loss for the year (31 + 32; 36 + 37) | 035 | 4,123,561 | 4,123,561 | 20,329,053 | 20,329,053 |
| Attributable to minority interest [non-controlling interests] | 036 | - | - | - | - |
| Attributable to owners of the parent | 037 | 4,123,561 | 4,123,561 | 20,329,053 | 20,329,053 |
| STATEMENT OF OTHER COMPREHENSIVE INCOME | | | | | |
| Income or (-) loss for the current year | 038 | 4,123,561 | 4,123,561 | 20,329,053 | 20,329,053 |
| Other comprehensive income (40 + 52) | 039 | (25,094,308) | (25,094,308) | 273,580 | 273,580 |
| Items that will not be reclassified to profit or loss (from 41 to 47 + 50 + 51) | 040 | - | - | 273,580 | 273,580 |
| Tangible assets | 041 | - | - | - | - |
| Intangible assets | 042 | - | - | - | - |
| Actuarial gains or (-) losses on defined benefit pension plans | 043 | - | - | - | - |
| Fixed assets and disposal groups classified as held for sale | 044 | - | - | - | - |
| Share of other recognised income and expense of entities accounted for using the equity method | 045 | - | - | - | - |
| Fair value changes of equity instruments measured at fair value through other comprehensive income | 046 | - | - | - | - |
| Gains or (-) losses from hedge accounting of equity instruments at fair value through other comprehensive income, net | 047 | - | - | 356,813 | 356,813 |
| Fair value changes of equity instruments measured at fair value through other comprehensive income [hedged item] | 048 | - | - | - | - |
| Fair value changes of equity instruments measured at fair value through other comprehensive income [hedging instrument] | 049 | - | - | - | - |
| Fair value changes of financial liabilities measured at fair value through profit or loss attributable to changes in their credit risk | 050 | - | - | - | - |
| Income tax relating to items that will not be reclassified | 051 | - | - | (83,233) | (83,233) |
| Items that may be reclassified to profit or loss (from 53 to 60) | 052 | (25,094,308) | (25,094,308) | - | - |
| Hedge of net investments in foreign operations [effective portion] | 053 | - | - | - | - |
| Foreign currency translation | 054 | - | - | - | - |
| Cash flow hedges [effective portion] | 055 | - | - | - | - |
| Hedging instruments [not designated elements] | 056 | - | - | - | - |
| Debt instruments at fair value through other comprehensive income | 057 | (30,631,854) | (30,631,854) | - | - |
| Fixed assets and disposal groups classified as held for sale | 058 | - | - | - | - |
| Share of other recognised income and expense of investments in subsidiaries, joint ventures and associates | 059 | - | - | - | - |
| Income tax relating to items that may be reclassified to profit or (-) loss | 060 | 5,537,546 | 5,537,546 | - | - |
| Total comprehensive income for the current year (38 + 39; 62 + 63) | 061 | (20,970,747) | (20,970,747) | 20,602,633 | 20,602,633 |
| Attributable to minority interest [non-controlling interest] | 062 | - | - | - | - |
| Attributable to owners of the parent | 063 | (20,970,747) | (20,970,747) | 20,602,633 | 20,602,633 |

STATEMENT OF CASH FLOW
for the period January 01, 2023 to March 31, 2023

Submitter: Hrvatska poštanska banka p.l.c.

in EUR

| Item | AOP code | Same period of the previous year | Current period |
|--|------------|----------------------------------|----------------------|
| 1 | 2 | 3 | 4 |
| Operating activities - direct method | | | |
| Interest received and similar receipts | 001 | - | - |
| Fees and commissions received | 002 | - | - |
| (Interest paid and similar expenditures) | 003 | - | - |
| (Fees and commissions paid) | 004 | - | - |
| (Operating expenses paid) | 005 | - | - |
| Net gains/losses from financial instruments at fair value through statement of profit or loss | 006 | - | - |
| Other receipts | 007 | - | - |
| (Other expenditures) | 008 | - | - |
| Operating activities - indirect method | | | |
| Profit/(loss) before tax | 009 | 4,257,931 | 20,466,954 |
| Adjustments: | | - | - |
| Impairment and provisions | 010 | (36,559) | (6,111,037) |
| Depreciation | 011 | 2,378,182 | 3,577,683 |
| Net unrealised (gains)/losses on financial assets and liabilities at fair value through statement of profit or loss | 012 | 1,667,219 | (558,386) |
| (Profit)/loss from the sale of tangible assets | 013 | - | - |
| Other non-cash items | 014 | (16,572,958) | (34,494,744) |
| Promjene u imovini i obvezama iz poslovnih aktivnosti | | | |
| Deposits with the Croatian National Bank | 015 | (2,944,387) | - |
| Deposits with financial institutions and loans to financial institutions | 016 | - | - |
| Loans and advances to other clients | 017 | (284,212,215) | (93,601,663) |
| Securities and other financial instruments at fair value through other comprehensive income | 018 | 104,081,465 | (1,411,486) |
| Securities and other financial instruments held for trading | 019 | 19,978,949 | (214,361) |
| Securities and other financial instruments at fair value through statement of profit or loss, not traded | 020 | - | - |
| Securities and other financial instruments mandatorily at fair value through statement of profit or loss | 021 | - | - |
| Securities and other financial instruments at amortised cost | 022 | (119,467,971) | (9,615,985) |
| Other assets from operating activities | 023 | 594,732 | (4,518,898) |
| Deposits from financial institutions | 024 | 34,254,497 | (77,253,256) |
| Transaction accounts of other clients | 025 | (55,240,375) | 700,948,156 |
| Savings deposits of other clients | 026 | 164,617,728 | (937,403,481) |
| Time deposits of other clients | 027 | (13,603,933) | 79,170,314 |
| Derivative financial liabilities and other liabilities held for trading | 028 | (62,702) | 5,468,658 |
| Other liabilities from operating activities | 029 | 3,121,387 | 1,083,850 |
| Interest received from operating activities [indirect method] | 030 | 17,486,408 | 37,873,101 |
| Dividends received from operating activities [indirect method] | 031 | 3,776 | 4,823 |
| Interest paid from operating activities [indirect method] | 032 | (913,451) | (3,378,357) |
| (Income tax paid) | 033 | - | - |
| Net cash flow from operating activities (from 1 to 33) | 034 | (140,612,277) | (319,968,115) |
| Investing activities | | | |
| Cash receipts from the sale / payments for the purchase of tangible and intangible assets | 035 | (2,095,776) | (2,877,170) |
| Cash receipts from the sale / payments for the purchase of investments in branches, associates and joint ventures | 036 | (9,423,319) | - |
| Cash receipts from the sale / payments for the purchase of securities and other financial instruments held to maturity | 037 | - | (500,000) |
| Dividends received from investing activities | 038 | - | - |
| Other receipts/payments from investing activities | 039 | - | - |
| Net cash flow from investing activities (from 35 to 39) | 040 | (11,519,095) | (3,377,170) |
| Financing activities | | | |
| Net increase/(decrease) in loans received from financing activities | 041 | (2,957,527) | 4,676,845 |
| Net increase/(decrease) in debt securities issued | 042 | - | - |
| Net increase/(decrease) in Tier 2 capital instruments | 043 | - | - |
| Increase in share capital | 044 | - | - |
| (Dividends paid) | 045 | - | - |
| Other receipts/(payments) from financing activities | 046 | 90,464 | - |
| Net cash flow from financing activities (from 41 to 46) | 047 | (2,867,063) | 4,676,845 |
| Net increase/(decrease) of cash and cash equivalents (34 + 40 + 47) | 048 | (154,998,435) | (318,668,440) |
| Cash and cash equivalents at the beginning of period | 049 | 875,363,554 | 1,485,318,572 |
| Effect of exchange rate fluctuations on cash and cash equivalents | 050 | (439,331) | 175,579 |
| Cash and cash equivalents at the end of period (48 + 49 + 50) | 051 | 719,925,788 | 1,166,825,711 |

STATEMENT OF CHANGES IN EQUITY
for the period January 01, 2023 to March 31, 2023

In EUR

| Item | AOP 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 | 161,228,350 | - | - | - | 8,020,695 | 73,124,786 | - | 87,859,809 | - | 126,665,045 | - | - | - | 456,898,685 |
| Effects of error corrections | 002 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Effects of changes in accounting policies | 003 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Opening balance (current period) (1 + 2 + 3) | 004 | 161,228,350 | - | - | - | 8,020,695 | 73,124,786 | - | 87,859,809 | - | 126,665,045 | - | - | - | 456,898,685 |
| Ordinary shares issue | 005 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Preference shares issue | 006 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Issue of other equity instruments | 007 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Exercise or expiration of other equity instruments issued | 008 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Conversion of receivables to equity instruments | 009 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital reduction | 010 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Dividends | 011 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Purchase of treasury shares | 012 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sale or cancellation of treasury shares | 013 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Reclassification of financial instruments from equity to liability | 014 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Reclassification of financial instruments from liability to equity | 015 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers among components of equity | 016 | - | - | - | - | - | 126,665,045 | - | - | - | (126,665,045) | - | - | - | - |
| Equity increase or (-) decrease resulting from business combinations | 017 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Share based payments | 018 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other increase or (1) decrease in equity | 019 | - | - | - | - | - | (164,194) | - | 161 | - | - | - | - | - | (164,200) |
| Total comprehensive income for the current year | 020 | - | - | - | - | 273,580 | - | - | - | - | 20,329,053 | - | - | - | 20,602,633 |
| Closing balance (current period) (from 4 to 20) | 021 | 161,228,350 | - | - | - | 8,294,275 | 199,625,637 | - | 87,859,803 | - | 20,329,053 | - | - | - | 477,337,118 |

