



**ZAGREBAČKA BURZA**  
*Zagreb Stock Exchange*



**LJUBLJANSKA BORZA**  
*LJUBLJANA Stock Exchange*

# Zagreb Stock Exchange Group

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Consolidated unaudited financial results for  
1/1/2022 – 30/9/2022

24 October 2022



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## **1 INTERIM MANAGEMENT REPORT FOR THE PERIOD BETWEEN 1/1/2022 AND 30/9/2022**

### **1.1 Significant business events of the Group in the period between 1/1/2022 and 30/9/2022**

In the first three quarters of 2022, the Zagreb Stock Exchange Group (hereinafter: the Group) recorded the following significant business events:

- On March 8, 2022, the Stock Exchange marked International Women's Day by opening a trade with a symbolic bell ringing to highlight the need to involve more women in the world of work and their advancement in the business world.
- On March 11, 2022, the Ljubljana Stock Exchange marked International Women's Day by opening a trade with a symbolic sound of bells to emphasize the need to include more women in the world of work and their advancement in the business world.
- On March 23, 2022, the Ljubljana Stock Exchange held a webcast entitled "Slovenian listed companies online".
- On March 24, 2022, as part of the World Money Week, the Ljubljana Stock Exchange held a webinar entitled "Let's go to the stock exchange" intended for pupils and students.
- On May 26 and 27, 2022, the investment conference of the Zagreb and Ljubljana stock exchanges "CEE Investment Opportunities" was held. The event was organized for the first time in 2014. The aim of the event is to facilitate the access of regional and international investors to Slovenian and Croatian companies, thereby strengthening their visibility and supporting liquidity. For the second year in a row, Slovenian and Croatian companies were joined by companies listed on the Macedonian Stock Exchange. The event was held via the Zoom webinar platform, and was attended by about 200 analysts and investors from the region, as well as from Austria, the Czech Republic, Estonia, Germany, Poland, Spain, Turkey, Great Britain, the United States of America and Japan.
- On May 31, 2022, to bring the Slovenian capital market closer to the general public, the Ljubljana Stock Exchange organized an event called "Trade on the Stock Exchange", which was visited by more than 550 people.
- On June 8, 2022, the Annual Education for issuers was held in the co-organization of the Croatian Financial Services Supervisory Agency, the Central Depository & Clearing Company and the Zagreb Stock Exchange, which has been held since 2011. The training brought together more than a hundred representatives of companies listed on the Zagreb Stock Exchange and was held online.
- On June 14, the Zagreb Stock Exchange's General Assembly was held where, among others, a decision was made to regularly reduce the share capital by merging shares according to the ratio 2:1, by issuing to each shareholder one new ordinary registered share with a nominal

value of HRK 10 for two shares outstanding. The basic capital of the Zagreb Stock Exchange was thus reduced from HRK 46,357,000 by HRK 23,178,500 to HRK 23,178,500<sup>1</sup>.

- On June 15, 2022, a presentation was held at the Zagreb Stock Exchange for investors of the Funderbeam SEE campaign of the company FRIENDLY FIRE.
- On June 24, 2022, the Zagreb Stock Exchange acquired an additional 199 shares of the Macedonian Stock Exchange and increased its share in that stock exchange to 17.05%.
- On June 27, 2022, the new version of the Xetra T7 10.1 trading system was put into production on the Zagreb and Ljubljana Stock Exchanges. The migration was carried out without difficulty.
- On July 8, 2022, the Zagreb Stock Exchange acquired an additional 138 shares of the Macedonian Stock Exchange and increased its share in that stock exchange to 21.99%.
- On July 18, 2022, the Zagreb Stock Exchange acquired an additional 77 shares of the Macedonian Stock Exchange and increased its share in that stock exchange to 24.75%.
- On July 19, 2022, a presentation was held at the Zagreb Stock Exchange for investors of the second Funderbeam SEE campaign of the company MOBILITY ONE.
- On August 18, 2022, the Zagreb Stock Exchange acquired an additional 146 shares of the Macedonian Stock Exchange and increased its share in that stock exchange to 29.98%.
- On August 31, 2022, the Ljubljana Stock Exchange, in cooperation with the company Interkapital vrijednosni papiri, held a webcast entitled "Slovenian Listed Companies Online", where six companies from the Prime Market of the Ljubljana Stock Exchange were presented to investors.
- On September 7, 2022, the Prime Plus investment webcast of the Zagreb Stock Exchange was held. At the mentioned investment conference, all issuers listed on the Prime Market of the Zagreb Stock Exchange and the Zagreb Stock Exchange as an issuer from the Official Market were presented to investors.
- On September 27, 2022, the Ljubljana Stock Exchange held an event called "Alternative sources of financing".
- On September 27, 2022, in accordance with the Capital Market Act, the Exchange Rules and the Resolution of the General Assembly of the Exchange dated June 14, 2022, by which the Exchange Management Board is authorized to acquire own shares during a period of 5 years from the date of the adoption of that Resolution, the Zagreb Stock Exchange informed the investment public about the launch of the Own Shares Buy-Back Program starting as of October 3, 2022, and lasting until October 2, 2023, at the latest.

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<sup>1</sup> More in the Notes to the financial statements in item 10.

## 1.2 Zagreb and Ljubljana Stock Exchange overview

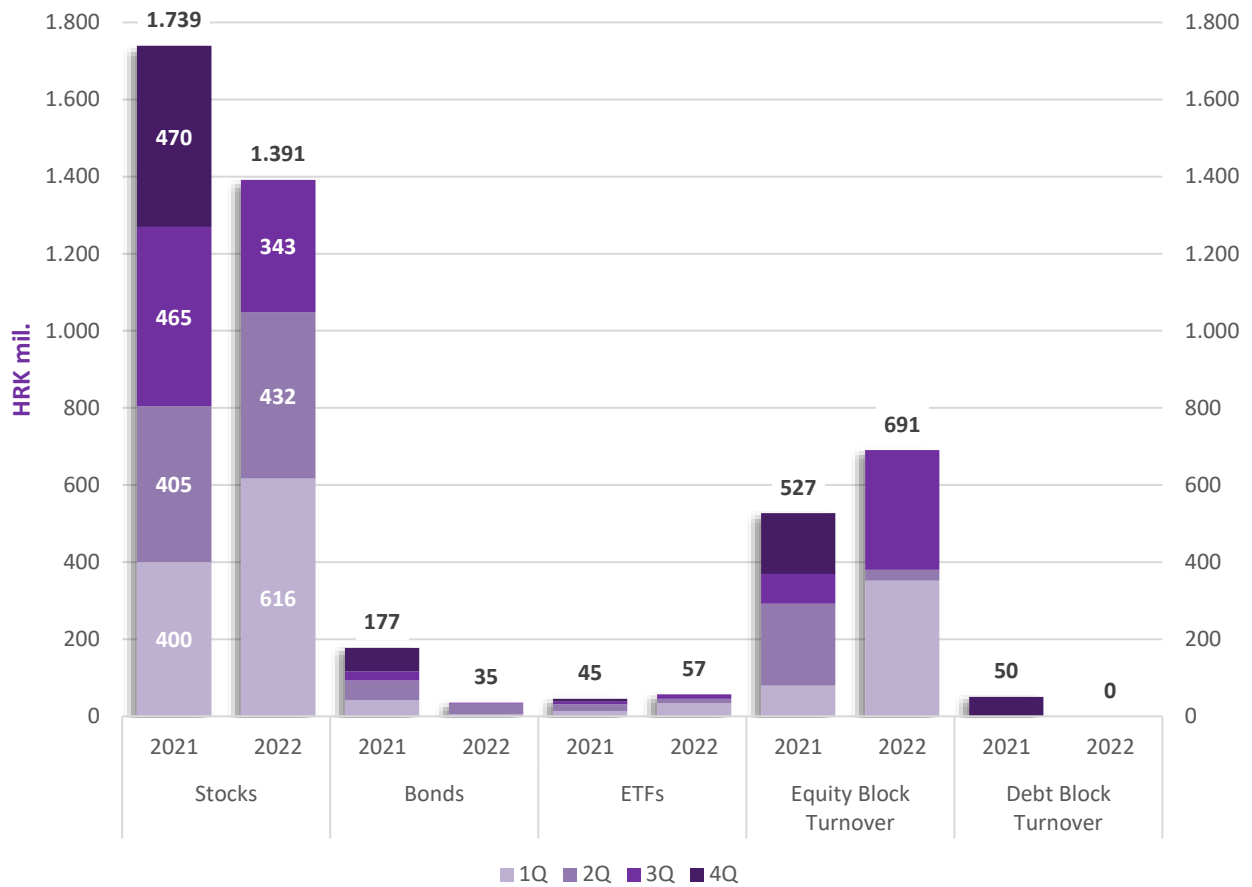
In the third quarter of 2022, the total turnover amounted to HRK 668 million, which is +16.5% more than in the same period of 2021, while the total turnover since the beginning of the year, i.e., in the first three quarters of 2022, amounts to HRK 2,174 million (+21% compared to the first three quarters of 2021).

### Securities turnover

	HRK	3Q 2021	3Q 2022	change	1-3Q 2021	1-3Q 2022	change
<b>TOTAL TURNOVER</b>		<b>572.906.102</b>	<b>667.525.100</b>	<b>16,52%</b>	<b>1.793.108.045</b>	<b>2.174.427.274</b>	<b>21,27%</b>
<b>Orderbook turnover</b>		<b>495.368.602</b>	<b>356.627.309</b>	<b>-28,01%</b>	<b>1.423.870.593</b>	<b>1.483.676.104</b>	<b>4,20%</b>
Stocks		464.683.896	342.586.776	-26,28%	1.269.205.161	1.391.271.712	9,62%
Bonds		24.110.051	2.315.625	-90,40%	116.666.677	35.336.046	-69,71%
ETFs		6.574.656	11.724.907	78,33%	37.998.754	57.068.346	50,18%
<b>Block turnover</b>		<b>77.537.500</b>	<b>310.897.791</b>	<b>300,96%</b>	<b>369.237.452</b>	<b>690.751.170</b>	<b>87,08%</b>
Equity Block		77.537.500	310.897.791	300,96%	369.237.452	690.751.170	87,08%
Debt Block		0	0		0	0	

The biggest jump in the amount of daily turnover began to be noticed in late February following the start of the war in Ukraine. The next few weeks were marked by high volatility, and the initial shock did not subside until late March. The continuation of the year brought mostly positive sentiment, but in the third quarter, the orderbook turnover was -28% lower than in the third quarter of 2021, i.e., HRK 356 million (3Q 2021: HRK 495 million). Of this amount, HRK 343 million refers to stock turnover (3Q 2021: HRK 465 million), HRK 2 million to bond turnover (3Q 2021: HRK 24 million), while ETFs achieved a turnover of HRK 12 million (3Q 2021: HRK 6,6 million). The equity block turnover increased by more than +300% and amounted to almost HRK 311 million (3Q 2021: HRK 77.5 million), while the debt block turnover was absent as in the same period last year. Since the beginning of 2022, the total turnover has reached HRK 2,174 million, which is as much as +21% more than in the first nine months of last year (1-3Q 2021: HRK 1,793 million). Within the orderbook in the first three quarters of 2022, the stock turnover amounted to HRK 1,391 million and is higher by +9.6% (1-3Q 2021: HRK 1,269 million), the bond turnover was only HRK 35 million and lower by almost -70% (1-3Q 2021: HRK 117 million), while ETF turnover increased by +50% and amounts to HRK 57 million (1-3Q 2021: HRK 38 million). The largest part of equity block turnover was realized in the first quarter, and at the level of the first nine months, it amounts to a significant HRK 691 million, which is an increase of as much as +87% compared to the same period in 2021 (1-3Q 2021: HRK 369 million).

## Securities turnover



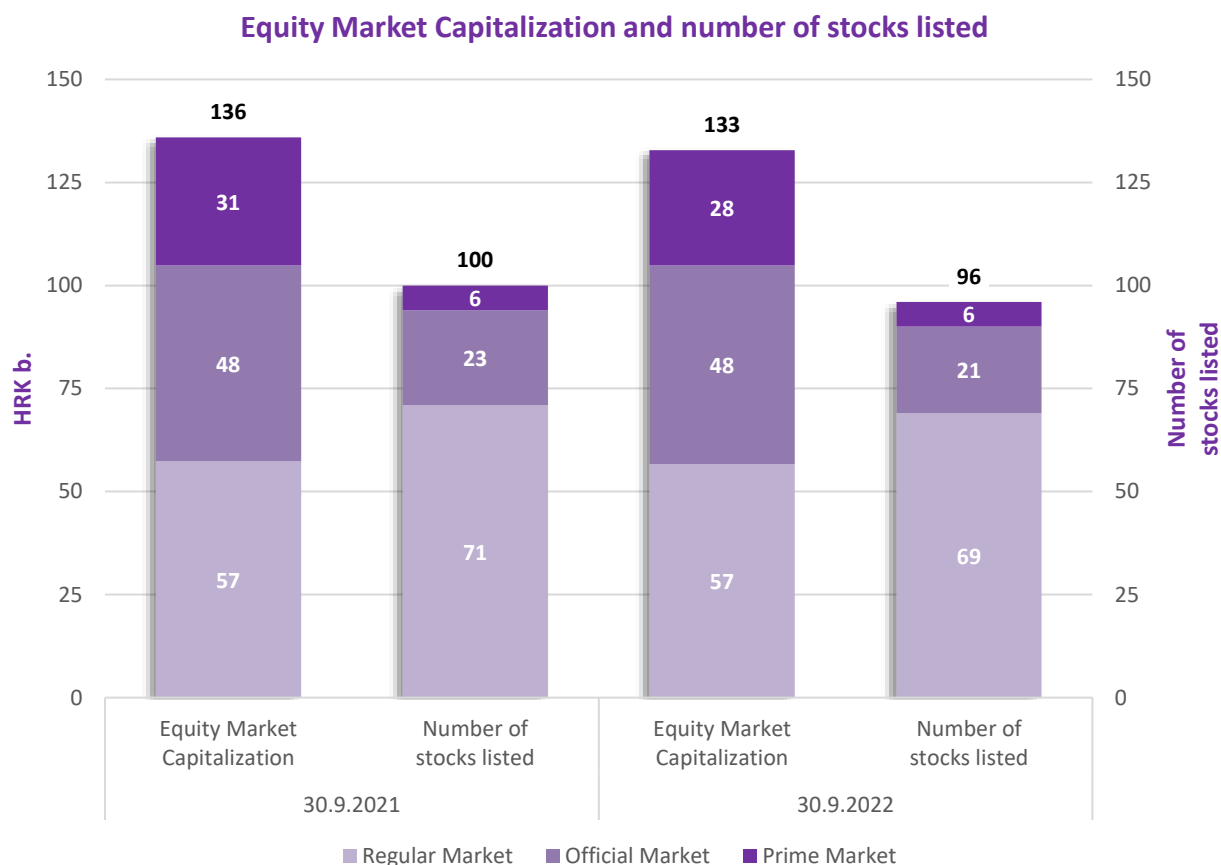
The market value measured by market capitalization as of 30 September 2022 was lower by a total of almost HRK 15 billion compared to the last day of September 2021. The equity market capitalization is lower by HRK -3 billion or -2.2%, with the market capitalization of the Prime Market lower by -9.9%, the Regular Market by -1.3%, and Official Market higher by +1.6%. The debt market capitalization is lower by -8.7% while the value of ETFs decreased by -9.4%.

### Market capitalization and number of listed securities

	Market capitalization (HRK)			Number of listed securities		
	30.9.2021	30.9.2022	change	30.9.2021	30.9.2022	change
<b>TOTAL</b>	<b>271.965.821.434</b>	<b>257.108.946.162</b>	<b>-5,46%</b>	<b>131</b>	<b>131</b>	<b>0,00%</b>
Stocks	135.912.760.343	132.853.913.043	-2,25%	100	96	-4,00%
Prime Market	31.066.430.348	28.004.075.875	-9,86%	6	6	0,00%
Official Market	47.524.434.605	48.263.850.899	1,56%	23	21	-8,70%
Regular Market	57.321.895.391	56.585.986.269	-1,28%	71	69	-2,82%
Bonds	135.994.721.823	124.202.154.774	-8,67%	29	33	13,79%
ETFs	58.339.269	52.878.345	-9,36%	2	2	0,00%

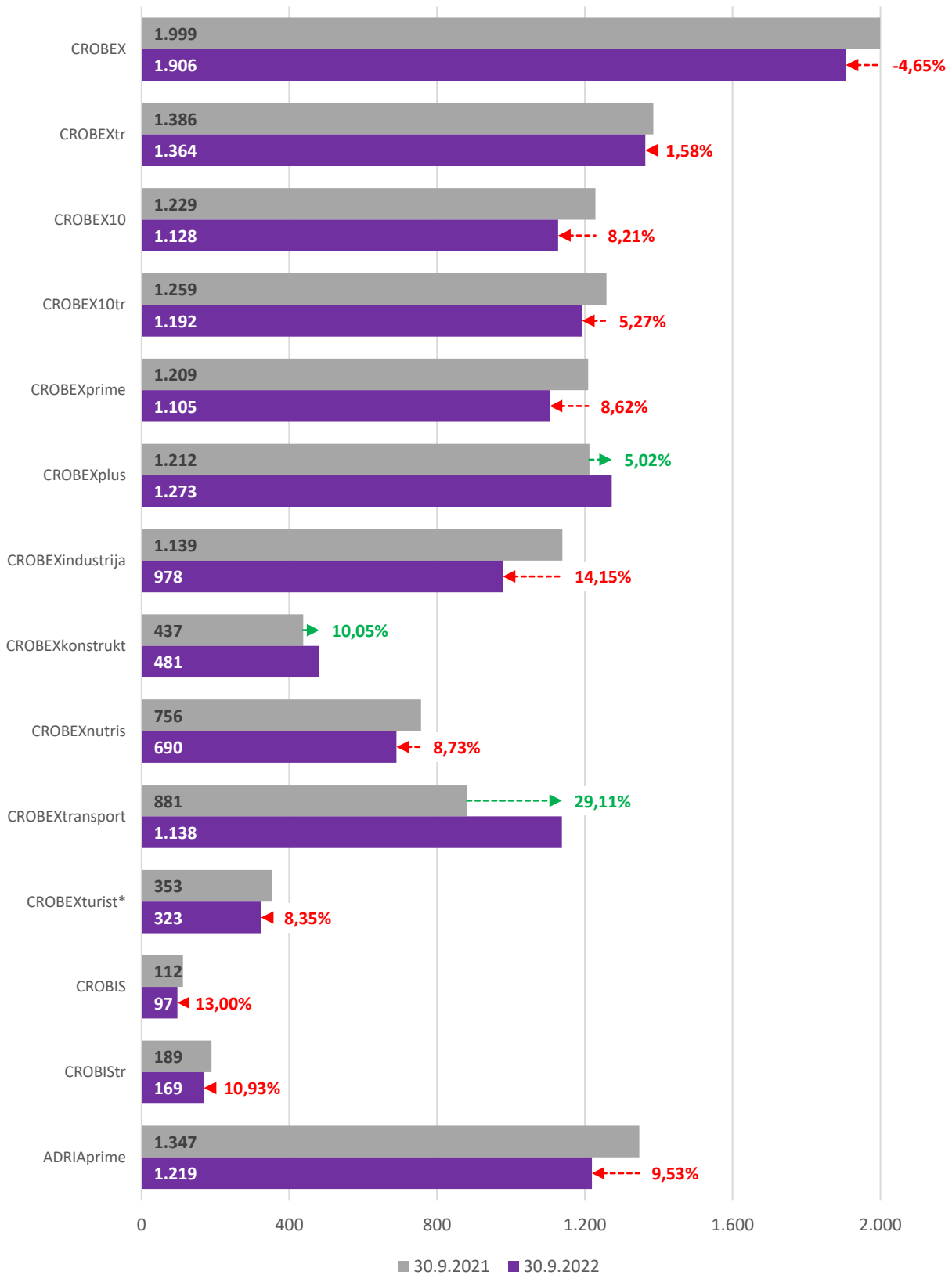


Compared to the end of the third quarter of 2021, as of 30 September 2022, two less shares were listed on the Regular and the Official Market, while the number of stocks listed on the Prime Market remained unchanged. In the period from January 1 to September 30, 2022, the shares of the company Mon Perin were listed, and the shares of the companies Petrokemija and Optima telekom were delisted from the Official Market, while the shares of the companies Stanovi Jadran and Quattro logistika were listed, and the shares of the companies Koka and Koteks were delisted from the Regular market.



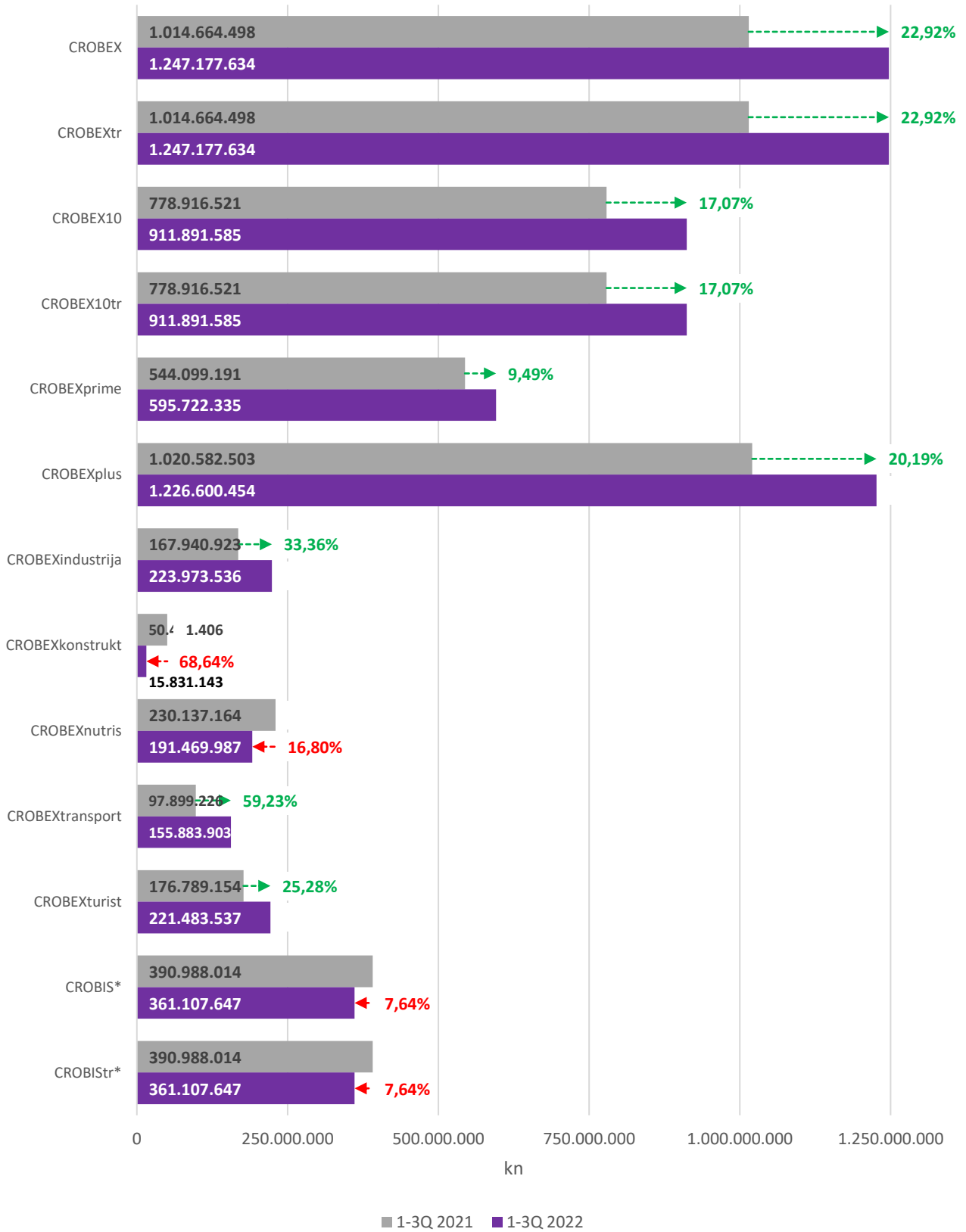
With the exception of the strengthened CROBEXplus (+5%), CROBEXkonstrukt (+10%) and CROBEXtransport (+29%), all other stock indices decreased compared to the closing value on September 30, 2021. CROBEXindustrija (-14%) weakened the most, followed by CROBEXnutris (-8.7%), CROBEXprime (-8.6%) and CROBEXTurist (-8.4%). The ADRIAprime regional index fell by -9.5%, while the bond indices fell by -13% (CROBIS) and -10.9% (CROBIStr).

### Indices - value (30.9.2021 vs. 30.9.2022)



\* (=x/10)

### Indices - turnover (1-3Q 2021 vs. 1-3Q 2022)



\* (=x/10)

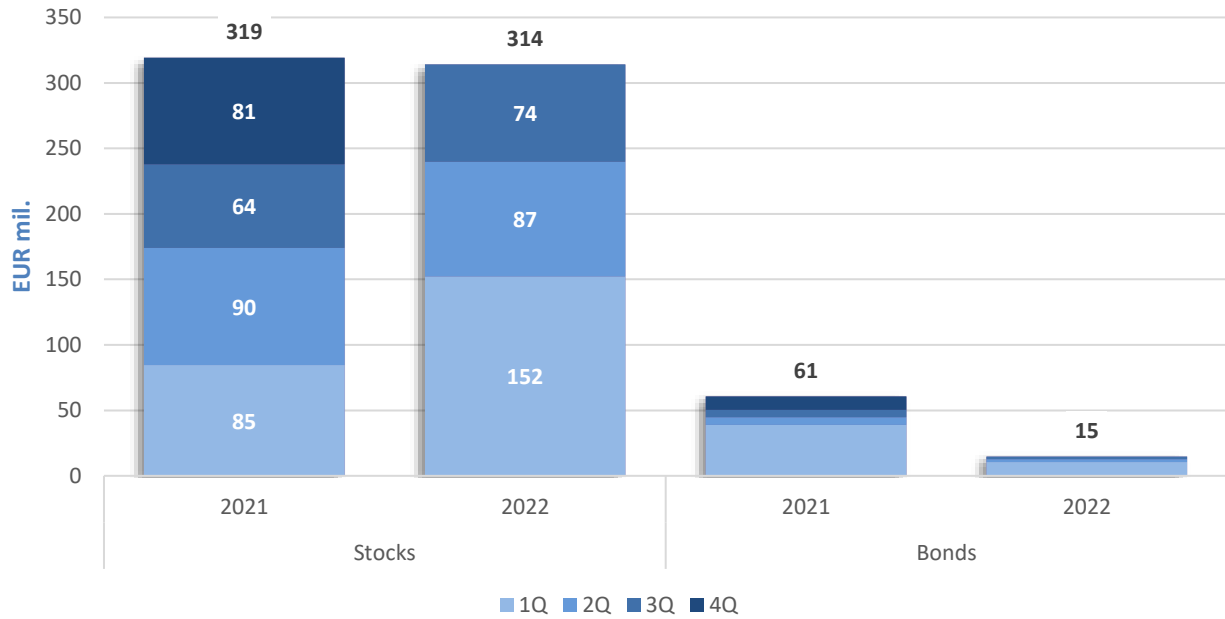
The total turnover at the Ljubljana Stock Exchange in the third quarter of 2022 amounted to EUR 76 million, which is an increase of +10% compared to the third quarter of last year, while the total turnover since the beginning of the year, i.e., in the first three quarters of 2022, amounted to EUR 329 million which is an increase of +14.2% compared to the first half of 2021.

#### LJSE overview

EUR	3Q 2021	3Q 2022	change	1-3Q 2021	1-3Q 2022	change
<b>TOTAL TURNOVER</b>	<b>69.373.446</b>	<b>76.329.319</b>	<b>10,03%</b>	<b>288.244.464</b>	<b>329.222.393</b>	<b>14,22%</b>
<b>Orderbook turnover</b>	<b>63.754.629</b>	<b>74.511.656</b>	<b>16,87%</b>	<b>237.807.308</b>	<b>314.563.427</b>	<b>32,28%</b>
Stocks	63.652.546	74.467.400	<b>16,99%</b>	237.757.345	314.172.810	32,14%
Bonds	102.083	1.596	<b>-98,44%</b>	139.756	17.302	-54,07%
Structured products	0	42.659	<b>#DIV/0!</b>	12.290	373.315	2937,67%
<b>Block turnover</b>	<b>5.618.817</b>	<b>1.817.664</b>	<b>-67,65%</b>	<b>50.437.156</b>	<b>14.658.966</b>	<b>-70,94%</b>
Equity block	5.618.817	1.817.664	<b>-67,65%</b>	50.437.156	14.658.966	-70,94%
Debt block	0	0		0	0	
	<b>30.9.2021</b>	<b>30.9.2022</b>	<b>change</b>			
<b>Equity Market Capitalization (EUR)</b>	8.871.119.119	7.034.922.444	-20,70%			
<b>SBITOP</b>	1.167	962	-17,55%			
<b>SBITR</b>	1.358	1.204	-11,33%			

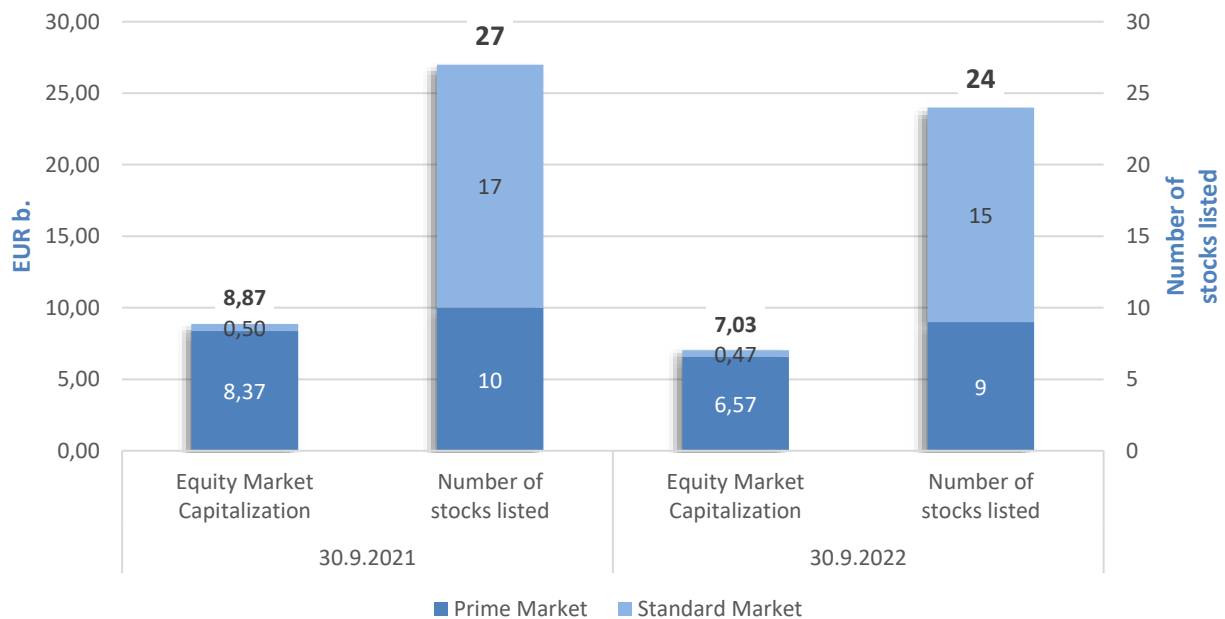
Within the orderbook, the stocks turnover in the third quarter of 2022 reached the amount of EUR 74 million, which is an increase of +17% compared to the same period last year when it amounted to EUR 64 million. The share of bonds and structured products turnover is far lower than the stocks turnover share in the total securities turnover of the Ljubljana Stock Exchange. In the third quarter of 2022, the bonds turnover amounted to only EUR 1.6 thousand (3Q 2021: EUR 102 thousand), while at the same time the turnover of the structured products amounted to EUR 42.7 thousand. In the third quarter of 2022, the equity block turnover amounted to EUR 1.8 million (a decrease of EUR -3.8 million compared to the third quarter of 2021), while the debt turnover was absent as at the same time last year. At the first nine months level, the stock turnover within the orderbook is higher by +32% and in the first nine months of 2022 amounts to EUR 314 million. At the same time, bonds turnover reached the amount of only EUR 17.3 thousand (1-3Q 2021: EUR 139.8 thousand), and the turnover of the structured products was EUR 373.3 thousand (1-3Q 2021: EUR 12.3 thousand). The equity block turnover in the first nine months of 2022 is EUR 14.7 million, which is a decrease of -71% compared to the same period last year (1-3Q 2021: EUR 50.4 million), while the debt block turnover is not recorded as in the same period last year.

### Stocks turnover at the Ljubljana Stock Exchange



Compared to September 30, 2021, the equity market capitalization decreased by -20.7% and on the last day of the third quarter of 2022 amounted to just over EUR 7 billion. From the last value on September 30, 2021, the SBITOP index decreased by -17.5% and amounts to 962, while the SBITR index decreased by -11.3%, ending September this year at a value of 1,204.

### Equity Market Capitalization and number of stocks listed



### **1.3 Expected future development of the Group**

In 2022, the Group will continue to focus on restoring confidence and raising Corporate Governance standards and reporting on a regulated market. The Group will also focus on greater promotion of existing issuers, with a focus on Prime Market. The Group will continue internally to develop IT services that will be used by the Zagreb and Ljubljana Stock Exchanges, and thus further reduce the need for external suppliers.

The Group will press on with previously initiated projects, placing the greatest emphasis on the project of regional SME capital market development (Progress), and further activities related to financing and investing in start-ups (Funderbeam SEE).

### **1.4 Research & Development activities**

The Group invests constant efforts into developing and improving its own service offering and at expanding service provision to the Slovenian market as well.

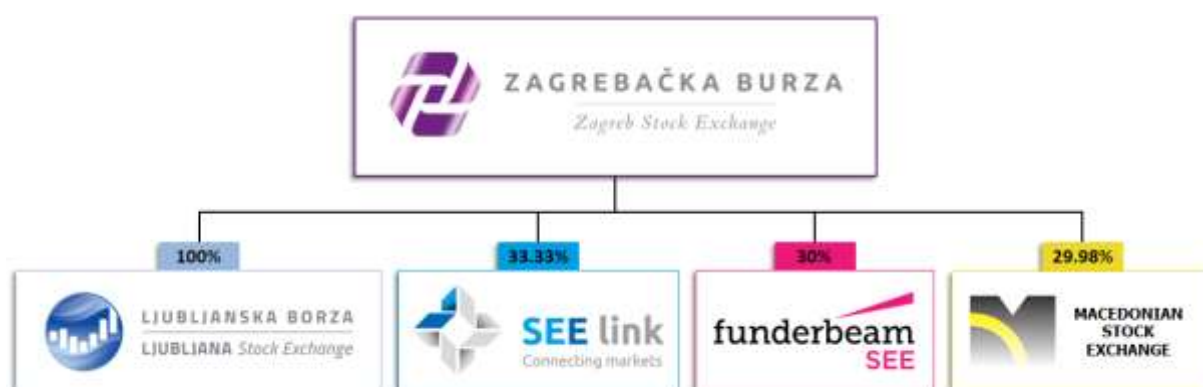
In 2021, the biggest focus was on the development of Exchange's own trading monitoring software, Zeus, as well as on the Exchange's strategy development project for the next five years. The Exchange also participated in the CCP implementation project for the Republic of Croatia and successfully implemented new trading system releases and other infrastructure optimization activities.

In 2022, the Zagreb Stock Exchange is intensively carrying out activities and preparatory actions for the introduction of the euro as the official currency in the Republic of Croatia from January 1, 2023

### **1.5 Information on repurchase of own shares**

In the period between 1 January 2022 and 30 September 2022, the Zagreb Stock Exchange acquired 32 of its shares in a corporate action to reduce the share capital by merging the Zagreb Stock Exchange's shares, and as of 30 September 2022, the Zagreb Stock Exchange holds 32 own shares, which represents 0.0014% of the Zagreb Stock Exchange's issued share capital.

## 1.6 Zagreb Stock Exchange Group



The Ljubljana Stock Exchange, Inc., a company domiciled in Ljubljana. The issued share capital of the Ljubljana Stock Exchange is EUR 1,401,000, in which the Zagreb Stock Exchange, Inc. participates with 100 %.

SEE Link d.o.o., a company domiciled in Skopje. The issued share capital of SEE LINK is EUR 80,000, in which the Zagreb Stock Exchange, Inc. participates with 33.33 %.

Funderbeam South East Europe d.o.o., a company domiciled in Zagreb. The issued share capital of Funderbeam South East Europe d.o.o. is HRK 244,000, and the share of the Zagreb Stock Exchange, Inc. in the share capital is 30%.

On September 30, 2022, the Zagreb Stock Exchange, Inc. holds a total of 837 shares, i.e., 29.98% of the share capital of Macedonian Stock Exchange, Inc.

## 1.7 Financial instruments used by the Group

The Group is fully funded by its own capital. The financial instruments the companies in the Group invest in are investment funds (money market and bond funds) and deposits (a vista and fixed-term deposits).

## 1.8 Group's objectives and policies related to financial risk management

All employees of the companies in the Group, including their Management and Supervisory Board, are involved in the implementation of internal control and risk management systems.

The companies in the Group manage risks, including financial risks, particularly through cooperation and coordination of two mutually independent control functions that exist at Zagreb and Ljubljana Stock Exchange: monitoring of compliance with relevant regulations and internal audit function.

These control functions process and monitor the work of all organizational units, Company activities and support services.

### **1.9 Group's exposure to price risk, credit risk, liquidity risk and cash flow risk**

The companies in the Group, Zagreb and Ljubljana Stock Exchange, invests free funds in open-end money market and bond investment funds, as well as bank deposits. Their investments are carried at fair value. Zagreb and Ljubljana Stock Exchange mitigate the price risk by diversifying their portfolio of open-end investment funds by investing in different types of funds managed by different fund management companies, and by investing in low-risk funds.

SEE Link and Funderbeam SEE are not exposed to the risks mentioned in this paragraph.

The companies in the Group have no loans received from external financial institutions, rather their cash and financial assets exceed substantially the liabilities of the companies in the Group, and consequently, their liquidity position is satisfactory.

### **1.10 Statement of transactions and transfers within the Group and between the Group and its shareholders**

The Group confirms that in 2022 there were no transactions within the Group and between the Group and its shareholders in excess of EUR 100,000.

### **1.11 Statement of events which might have an adverse effect on Group operations**

The ongoing war in Ukraine and sanctions against the Russian Federation are affecting economies in Europe and the world. The Group has no significant exposure in Ukraine, Russia and Belarus. However, the effect on the general economic situation may require a revision of certain assumptions and estimates, which may lead to significant adjustments in the carrying amount of certain assets and liabilities over the next financial year. At this stage, management cannot reliably assess the impact as new developments take place day by day.

After the balance sheet date, in accordance with the Capital Market Act, the Zagreb Stock Exchange Rules and the Resolution of the General Assembly of the Zagreb Stock Exchange dated June 14, 2022, by which the Zagreb Stock Exchange Management Board is authorized to acquire own shares during a period of 5 years from the date of the adoption of that Resolution, the Zagreb Stock Exchange launched the Own Shares Buy-Back Program starting as of October 3, 2022, and lasting until October 2, 2023, at the latest. From the launch of the Program to the date of publication of these financial statements, the company Privredna banka Zagreb, in the name and on behalf of the Zagreb Stock Exchange, made several acquisitions of Zagreb Stock Exchange shares (own shares) on the Regulated Market, about which the Zagreb Stock Exchange timely informs the investment public.



Apart from the above, no other business events or transactions have occurred after the balance sheet date that would have a material impact on the financial statements on or for the period then ended or are of such importance to the Group's operations that it would require disclosure in the management report.

### **1.12 Business results for 1/1/2022 – 30/9/2022**

In the first three quarters of 2022, the Group generated a total of HRK 21.133 thousand of operating revenues, which is HRK +2,490 thousand or +13.3% more than in the same period last year when they amounted to HRK 18,643 thousand. Compared to the first three quarters of 2021, sales revenue increased from HRK 12,737 to HRK 14,399 thousand, i.e., by HRK +1,662 thousand or +13%. The increase in sales revenue is primarily the result of an increase in income from commissions and membership fees, which, following the increased securities turnover from the end of February to mid-March this year, reached the amount of HRK 6,865 thousand by the end of the third quarters of this year; HRK +1,155 thousand or +20.2% more compared to the first three quarters of 2021, when they amounted to HRK 5,710 thousand. In the first nine months of 2022, income from listing maintenance fees amounts to HRK 5,970 thousand, which is an increase of HRK +182 thousand or +3.1% (1-3Q 2021: HRK 5,788 thousand). Due to a slightly higher number of new listings than in the same period last year, in the first three quarters of 2022, income from quotation maintenance increased by HRK +325 thousand or +26.2% and amounted to HRK 1,563 thousand (1-3Q 2021: HRK 1,239 thousand). Compared to the first nine months of 2021, other operating income increased by a significant HRK +828 thousand or +14%, i.e., from HRK 5,906 to HRK 6,735 thousand. The stated increase in other operating income is a consequence of the increase in other income by HRK +784 thousand or +51.6% which amounts to HRK 2,302 thousand and includes income from education and income from issuing and maintaining LEI (1-3Q 2021: HRK 1,519 thousand). Income from the supply of information increased by HRK +45 thousand or +1% and amounted to HRK 4,432 thousand (1-3Q 2021: HRK 4,387 thousand).

Observing only at the third quarter of 2022, the Group's total operating income amounts to HRK 6,650 thousand, which is an increase of HRK +651 thousand (+10.9%) compared to the third quarter of last year, when operating income amounted to HRK 5,998 thousand. Sales revenues increased from HRK 3,945 thousand in the third quarter of 2021 to HRK 4,424 thousand in the same period of the current year. The decrease in income from commissions and membership fees from HRK 1,686 to HRK 1,803 thousand (HRK +118 thousand or +7%) contributes to the aforementioned increase. Income from listing maintenance fees increased by HRK +98 thousand or +5% and amounts to HRK 2,053 thousand (3Q 2021: HRK 1,995 thousand). Within sales revenue, the largest increase was from income from quotation maintenance, from HRK 304 to HRK 568 thousand (HRK +264 thousand or +86.7%). Other operating income increased from HRK 2,053 to HRK 2,226 thousand (HRK +172 thousand or +8.4%), which is due to the increase in income from the supply of information from HRK 1,364 to HRK 1,463 thousand (HRK +99 thousand or +7.3%) and other income from HRK 690 to HRK 763 thousand (HRK +73 thousand or +10.6%).

Along with the normalization of business operations after two pandemic years, the Group began to record an increase in operating expenses, while the impact of inflation on their amount should also be

taken into account. The Group's total operating expenses were thus HRK +2,132 thousand (+11.8%) higher than in the first nine months of 2021 and amounted to HRK 20,214 thousand (1-3Q 2021: HRK 18,083 thousand). Apart from the value adjustment, which fell by HRK -22 thousand and amounts to HRK 20 thousand, all items of operating expenses are higher in the first nine months of 2022 compared to the same period last year:

- material costs amount to HRK 6,062 thousand, which is an increase of HRK +678 thousand or +12.6% (1-3Q 2021: HRK 5,384 thousand),
- staff costs amount to HRK 9,916 thousand, which is an increase of HRK +1,045 thousand or +11.8% (1-3Q 2021: HRK 8,871 thousand),
- other costs amount to HRK 2,582 thousand, which is an increase of HRK +305 thousand or +13.4% (1-3Q 2021: HRK 2,277 thousand),
- depreciation amounts to HRK 1,595 thousand, which is an increase of HRK +93 thousand or +6.2% (1-3Q 2021: HRK 1,502 thousand),

In the third quarter of 2022 alone, operating expenses amount to HRK 6,570 thousand, which is an increase of HRK +519 thousand or +8.6% compared to the same period last year (3Q 2021: HRK 6,051 thousand). The biggest increase was recorded in staff costs, which amounted to HRK 2,828 thousand in the third quarter of 2021, and HRK 3,096 thousand in the same period of the current year (HRK +268 thousand or +9.5%). In addition to them, other costs increased from HRK 743 to HRK 906 thousand (HRK +162 thousand or +21.8%), material costs increased from HRK 1,963 to HRK 2,052 thousand (HRK +89 thousand or +4.5%), depreciation increased from HRK 516 to HRK 534 thousand (HRK +19 thousand or +3.6%), other operating expenses increased from HRK 1 to HRK 12 thousand (HRK +11 thousand), while the value adjustment was in the positive amount of HRK 30 thousand (3Q 2021: 0).

## The Group's key business indicators

	000 HRK	1-3Q 2021	1-3Q 2022	change	3Q 2021	3Q 2022	change
Capital and reserves		43.131	43.835	1,63%	43.131	43.835	1,63%
Total assets		53.502	55.157	3,09%	53.502	55.157	3,09%
<b>Operating income</b>		<b>18.643</b>	<b>21.133</b>	<b>13,36%</b>	<b>5.998</b>	<b>6.650</b>	<b>10,86%</b>
<i>sales revenue</i>		12.737	14.399	13,05%	3.945	4.424	12,14%
<i>other operating income</i>		5.906	6.735	14,02%	2.053	2.226	8,38%
<b>Operating expenses</b>		<b>18.083</b>	<b>20.214</b>	<b>11,79%</b>	<b>6.051</b>	<b>6.570</b>	<b>8,57%</b>
<i>material costs</i>		5.384	6.062	12,59%	1.963	2.052	4,54%
<i>staff costs</i>		8.871	9.916	11,78%	2.828	3.096	9,49%
<i>depreciation and amortization</i>		1.502	1.595	6,16%	516	534	3,62%
<i>other costs</i>		2.326	2.642	13,60%	745	888	19,13%
<b>EBIT</b>		<b>561</b>	<b>919</b>	<b>63,85%</b>	<b>-53</b>	<b>80</b>	<b>-251,45%</b>
<b>EBITDA</b>		<b>2.063</b>	<b>2.514</b>	<b>21,84%</b>	<b>463</b>	<b>614</b>	<b>32,70%</b>
Financial income		44	168	283,10%	2	113	5327,19%
Financial expenses		385	858	123,02%	86	178	106,77%
Share in profit/loss of associates and subsidiaries		9	-40	-535,16%	-11	-56	400,05%
<b>Pre-tax profit or loss</b>		<b>229</b>	<b>189</b>	<b>-17,50%</b>	<b>-148</b>	<b>-41</b>	<b>-72,29%</b>
Income tax		89	133	48,65%	36	-18	-149,13%
<b>Profit or loss for the period</b>		<b>139</b>	<b>56</b>	<b>-59,94%</b>	<b>-184</b>	<b>-23</b>	<b>-87,48%</b>
Other comprehensive income		61	553	807,10%	54	107	98,45%
<b>Total comprehensive income</b>		<b>200</b>	<b>609</b>	<b>203,73%</b>	<b>-130</b>	<b>84</b>	<b>-164,86%</b>
Number of employees		39	38	-2,56%	39	38	-2,56%

The Group's operating profit in the first nine months of 2022 amounted to HRK 919 thousand, while in the same period last year it amounted to HRK 561 thousand (HRK +358 thousand or +63.8%). At the level of the third quarter, the Group reports an operating profit in the amount of HRK 80 thousand, while the operating loss in the same period last year amounted to HRK -53 thousand. Financial income recorded growth in the first three quarters of the year as well as in the third quarter compared to the same periods last year. In the first three quarters of 2022, financial income amounted to HRK 168 thousand (HRK +124 thousand or +283%), while financial income in the third quarter accounted for HRK 113 thousand (HRK +111 thousand). In the first nine months of this year, financial expenses amount to HRK 858 thousand (HRK +473 thousand or +123%), while in the third quarter alone they are higher by HRK +92 thousand and amount to HRK 178 thousand. Changes in the movement of financial income and expenses are primarily the result of the negative yield of bond funds in which the Group has invested free funds.

If we add up the positive operating profit, negative net financial result and share in the profit/loss of the associates and subsidiaries in the amount of HRK -40 thousand and income tax in the amount of HRK 133 thousand, the Group's net profit in the first nine months of 2022 amounts to HRK 56 thousand which is HRK -83 thousand (-60%) less than in the same period of 2021 when the Group's net profit amounted to HRK 139 thousand. Adding other comprehensive income in the amount of HRK 553

thousand to the net profit, the Group's total comprehensive income for the first three quarters of 2022 amounts to HRK 609 thousand (an increase of HRK +409 thousand or +203.7% compared to HRK 200 thousand in the first three quarters of 2021). The high other comprehensive profit (HRK 533 thousand), which is why the Group's comprehensive profit is significantly higher than the net profit, refers to the difference in the fair value of shares of the Macedonian Stock Exchange. Namely, in 2019 and 2021, the Zagreb Stock Exchange acquired shares of the Macedonian Stock Exchange at lower prices per share than in 2022, which led to the recording of the difference in fair value for previously acquired shares. The share in the profit of the associates and subsidiaries in the third quarter of 2022 is HRK -56 thousand, and the income tax is a positive HRK 18 thousand, therefore the Group in the third quarter of 2022 reports a loss in the amount of HRK -23 thousand and a total comprehensive profit in the amount of HRK 84 thousand.

Operating profit before interest, taxes, depreciation and amortization is positive and in the first three quarters of 2022 amounts to HRK 2,514 thousand, i.e., HRK +451 thousand more than in the first three quarters of 2021, while in the third quarter of 2022 it amounts to HRK 614 thousand, i.e., HRK -151 thousand less than in the same period last year.

## 2 DECLARATION OF RESPONSIBILITY FOR THE PREPARATION OF FINANCIAL STATEMENTS

Financial statements of the Group prepared for the period between 1/1/2022 and 30/9/2022 give a fair and true account of facts in accordance with the International Standards of Financial Reporting and the Croatian Accounting Act.

Consolidated financial statements for the period between 1/1/2022 and 30/9/2022 give an objective, complete and true statement of assets and liabilities, financial position and operations of the Group.

The management report for the first three quarters of 2022 contains a true and fair view of the development and results of operations, with a description of the principal risks and uncertainties to which the Group is exposed.

Consolidated financial statements for the first three quarters of 2022 have not been audited.

Ivana Gažić  
President of the Management Board



Tomislav Gračan  
Member of the Management Board



### **Contact**

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Consolidated unaudited financial statements of the Group for  
1/1/2022 – 30/9/2022

## Annex 1

## ISSUER'S GENERAL DATA

Reporting period:	1.1.2022	to	30.9.2022
Year:	2022		
Quarter:	3		

## Quarterly financial statements

Registration number (MB):	03749606	Issuer's home Member State code:	HR
Entity's registration number (MBS):	080034217		
Personal identification number (OIB):	84368186611	LEI:	7478000050A040C0D041
Institution code:	4		
Name of the issuer:	Zagreb Stock Exchange, Inc		
Postcode and town:	10000	Zagreb	
Street and house number:	Ivana Lučića 2a/22		
E-mail address:	sandra.semuga@zse.hr		
Web address:	www.zse.hr		
Number of employees (end of the reporting period):	39		
Consolidated report:	KD	(KN-not consolidated/KD-consolidated)	
Audited:	RN	(RN-not audited/RD-audited)	
Names of subsidiaries (according to IFRS):	Registered office:	MB:	
Ljubljanska borza vrednostnih papirjev d.d.	Ljubljana, Slovenija	5316081	
Bookkeeping firm:	Yes	(Yes/No)	Sigma Tax Consulting d.o.o. (name of the bookkeeping firm)
Contact person:	Martina Butković (only name and surname of the contact person)		
Telephone:	01/4699-555		
E-mail address:	martina.butkovic@sigmabc.eu		
Audit firm:			
Certified auditor:			
	(name and surname)		

**BALANCE SHEET**  
balance as at 30.9.2022

in HRK

Submitter: Zagreb Stock Exchange, Inc

Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
<b>ASSETS</b>			
<b>FIXED ASSETS 002+003+009+012</b>	<b>1</b>	<b>17.038.930</b>	<b>25.608.013</b>
<b>I INTANGIBLE ASSETS</b>	<b>2</b>	<b>2.803.702</b>	<b>3.363.988</b>
<b>II TANGIBLE ASSETS 004+...+008</b>	<b>3</b>	<b>11.762.570</b>	<b>12.079.148</b>
1 Land and buildings	4	9.428.635	8.686.060
2 Computer equipment	5	742.389	1.376.960
3 Other tangible assets	6	941.859	1.281.400
4 Leasehold improvements	7	649.687	734.728
5 Assets under construction	8	0	0
<b>III FIXED FINANCIAL ASSETS 010+011</b>	<b>9</b>	<b>2.293.745</b>	<b>9.998.213</b>
1 Investments in associates, subsidiaries and joint ventures	10	145.796	9.333.927
2 Financial assets at amortised cost	11	2.147.949	664.286
<b>DEFERRED TAX ASSETS</b>	<b>12</b>	<b>178.913</b>	<b>166.664</b>
<b>B CURRENT ASSETS 014+020+024</b>	<b>13</b>	<b>35.959.157</b>	<b>27.955.458</b>
<b>I RECEIVABLES 015+...+019</b>	<b>14</b>	<b>3.857.348</b>	<b>2.860.295</b>
1 Trade receivables	15	3.075.430	2.106.732
2 Receivables from employees and members of the undertaking	16	524	1.571
3 Receivables from government and other institutions	17	179.089	124.729
4 Receivables from connected undertakings	18	0	0
5 Other receivables	19	602.305	627.263
<b>III SHORT-TERM FINANCIAL ASSETS 021+...+023</b>	<b>20</b>	<b>20.492.049</b>	<b>15.194.854</b>
1 Financial assets at amortised cost	21	6.012.762	6.208.673
2 Financial assets at fair value through other comprehensive	22	0	0
3 Financial assets at fair value through statement of profit or	23	14.479.287	8.986.181
<b>III CASH AND CASH EQUIVALENTS</b>	<b>24</b>	<b>11.609.760</b>	<b>9.900.309</b>
<b>C PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>25</b>	<b>609.973</b>	<b>1.593.925</b>
<b>D TOTAL ASSETS 001+013+025</b>	<b>26</b>	<b>53.608.060</b>	<b>55.157.396</b>
<b>E OFF-BALANCE SHEET ITEMS</b>	<b>27</b>	<b>0</b>	<b>0</b>
<b>LIABILITIES</b>			
<b>A CAPITAL AND RESERVES 029+030+031+036+037+038</b>	<b>28</b>	<b>43.226.778</b>	<b>43.835.486</b>
<b>I INITIAL CAPITAL</b>	<b>29</b>	<b>46.357.000</b>	<b>23.178.500</b>
<b>II CAPITAL RESERVES</b>	<b>30</b>	<b>13.860.181</b>	<b>13.860.181</b>
<b>III PROFIT RESERVES 032+...+035</b>	<b>31</b>	<b>852.898</b>	<b>7.553.587</b>
1 Legal reserves	32	141.000	141.000
2 Reserves for treasury shares	33	0	0
3 Fair value reserves	34	0	528.686
4 Other reserves	35	711.898	6.883.901
<b>IV RETAINED PROFIT OR LOSS BROUGHT FORWARD</b>	<b>36</b>	<b>-18.206.852</b>	<b>-812.651</b>
<b>V PROFIT OR LOSS FOR THE YEAR</b>	<b>37</b>	<b>363.551</b>	<b>55.869</b>
<b>VI MINORITY INTEREST</b>	<b>38</b>	<b>0</b>	<b>0</b>
<b>B PROVISIONS</b>	<b>39</b>	<b>192.109</b>	<b>238.087</b>
<b>C SHORT-TERM LIABILITIES 041+...046</b>	<b>40</b>	<b>3.286.093</b>	<b>3.168.168</b>
1 Liabilities for advance payments	41	126.864	9.269
2 Trade payables	42	1.154.241	977.969
3 Liabilities to employees	43	745.001	796.611
4 Taxes, contributions and similar liabilities	44	278.324	396.890
5 Liabilities to connected undertakings	45	0	0
6 Other short-term liabilities	46	981.663	987.429
<b>D LONG-TERM LIABILITIES</b>	<b>47</b>	<b>2.414.550</b>	<b>2.051.338</b>
<b>E DEFERRED TAX LIABILITY</b>	<b>48</b>	<b>188.771</b>	<b>189.024</b>
<b>F ACCRUALS AND DEFERRED INCOME</b>	<b>49</b>	<b>4.299.759</b>	<b>5.675.293</b>
<b>G TOTAL LIABILITIES 028+039+040+047+048+049</b>	<b>50</b>	<b>53.608.060</b>	<b>55.157.396</b>
<b>H OFF-BALANCE SHEET ITEMS</b>	<b>51</b>	<b>0</b>	<b>0</b>
<b>Appendix to the balance sheet (position for consolidated financial statements)</b>			
<b>I Capital and reserves 053+054</b>	<b>52</b>	<b>43.226.778</b>	<b>43.835.486</b>
1 Attributable to owners of the parent	53	43.226.778	43.835.486
2 Attributable to non-controlling interest	54	0	0



**STATEMENT OF PROFIT OR LOSS**

For the period 1.1.2022. to 30.9.2022

in HRK

Submitter: Zagreb Stock Exchange, Inc

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
<b>A OPERATING INCOME 002+009</b>	<b>1</b>	<b>18.643.395</b>	<b>5.998.453</b>	<b>21.133.270</b>	<b>6.649.662</b>
I Sales revenue 003+...+008	2	12.736.974	3.944.968	14.398.624	4.424.006
1 Commissions and membership fees	3	5.710.187	1.685.582	6.865.483	1.803.175
2 Listing maintenance fees	4	5.788.206	1.955.017	5.969.731	2.052.603
3 Income from quotation maintenance	5	1.238.581	304.369	1.563.410	568.228
4 Income from auctions	6	0	0	0	0
5 Income from memberships	7	0	0	0	0
6 Revenue from assigning and administering LEIs	8	0	0	0	0
II Other operating income 010+...+012	9	5.906.421	2.053.485	6.734.646	2.225.656
1 Income from application programming interface (API) services	10	0	0	0	0
2 Income from the supply of information	11	4.387.491	1.363.774	4.432.189	1.462.848
3 Other income	12	1.518.930	689.711	2.302.457	762.808
<b>B OPERATING EXPENSES 014+017+021+022+023+026+027</b>	<b>13</b>	<b>18.082.600</b>	<b>6.051.212</b>	<b>20.214.403</b>	<b>6.569.757</b>
I Material costs 015+016	14	5.383.711	1.962.775	6.061.562	2.051.826
1 Costs of raw materials	15	407.394	142.892	453.094	296.909
2 Other external costs	16	4.976.317	1.819.883	5.608.468	1.754.917
II Staff costs 018+...+020	17	8.871.069	2.827.884	9.916.134	3.096.197
1 Net salaries and wages	18	6.093.511	1.990.276	6.982.948	2.163.088
2 Tax and contributions from salary costs	19	2.083.845	621.973	2.177.856	690.322
3 Payroll contributions	20	693.713	215.635	755.330	242.787
III Depreciation	21	1.502.315	515.533	1.594.911	534.188
IV Other costs	22	2.276.998	743.478	2.581.659	905.827
V Value adjustment 024+025	23	41.873	0	20.000	-30.000
1 fixed assets (other than financial assets)	24	0	0	0	0
2 current assets (other than financial assets)	25	41.873	0	20.000	-30.000
VI Provisions	26	0	0	0	0
VII Other operating expenses	27	6.634	1.542	40.137	11.719
<b>C FINANCIAL INCOME 029+...+034</b>	<b>28</b>	<b>43.924</b>	<b>2.078</b>	<b>168.274</b>	<b>112.777</b>
1 Interest, exchange rate differences, dividends and similar	29	1.396	1.396	101.728	101.553
2 Interest, exchange rate differences, dividends and similar	30	33.954	23.001	63.928	10.988
3 Income share from associates and participating interests	31	0	0	0	0
4 Unrealised gains (income) from financial assets	32	0	-25.609	0	0
5 Profit from reversal of provisions for impairment for expected	33	0	0	0	0
6 Other financial income	34	8.574	3.290	2.618	236
<b>D FINANCIAL EXPENSES 036+...+040</b>	<b>35</b>	<b>384.922</b>	<b>86.007</b>	<b>858.457</b>	<b>177.834</b>
1 Interest, exchange rate differences and other expenditures with	36	5.306	2.856	4.392	1.523
2 Interest, exchange rate differences and other expenditure from	37	78.046	55.246	145.121	39.520
3 Unrealised losses (expenses) from financial assets	38	301.570	27.905	708.944	136.791
4 Loss on impairment for expected credit losses	39	0	0	0	0
5 Other financial expenses	40	0	0	0	0
<b>E TOTAL INCOME 001+028</b>	<b>41</b>	<b>18.687.319</b>	<b>6.000.531</b>	<b>21.301.544</b>	<b>6.762.439</b>
<b>F TOTAL EXPENDITURE 013+035</b>	<b>42</b>	<b>18.467.522</b>	<b>6.137.219</b>	<b>21.072.860</b>	<b>6.747.591</b>
<b>G Share in profit/loss of associates and subsidiaries</b>	<b>43</b>	<b>9.147</b>	<b>-11.162</b>	<b>-39.804</b>	<b>-55.816</b>
<b>H PRE-TAX PROFIT OR LOSS 041-042+043</b>	<b>44</b>	<b>228.944</b>	<b>-147.850</b>	<b>188.880</b>	<b>-40.968</b>
<b>I INCOME TAX</b>	<b>45</b>	<b>89.477</b>	<b>36.413</b>	<b>133.011</b>	<b>-17.890</b>
<b>J PROFIT OR LOSS FOR THE PERIOD 044-045</b>	<b>46</b>	<b>139.467</b>	<b>-184.263</b>	<b>55.869</b>	<b>-23.078</b>
1 Change in revaluation reserves (property, plant,	47	0	0	0	0
2 Actuarial gains/losses on defined benefit pension plans	48	0	0	0	0
3 Unrealised gains/losses on financial assets at fair value through other comprehensive income	49	0	0	0	0
4 Gains/losses on hedging instruments in a cash flow hedge	50	0	0	528.686	7.163
5 Gains/losses arising from translation of financial	51	60.946	54.153	24.153	-2.530
6 Income tax on other comprehensive income	52	0	0	0	-102.832
<b>K OTHER COMPREHENSIVE INCOME 047+...+052</b>	<b>53</b>	<b>60.946</b>	<b>54.153</b>	<b>552.839</b>	<b>107.465</b>
<b>TOTAL COMPREHENSIVE INCOME 046+053</b>	<b>54</b>	<b>200.413</b>	<b>-130.110</b>	<b>608.708</b>	<b>84.387</b>
<b>M RECLASSIFICATION ADJUSTMENTS</b>	<b>55</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Appendix **</b>					
Attributable to owners of the parent	56	200.413	-130.110	608.708	84.387
Attributable to non-controlling interest	57	0	0	0	0

## STATEMENT OF CASH FLOWS - indirect method

for the period 1.1.2022. to 30.9.2022

in HRK

Submitter: Zagreb Stock Exchange, Inc

Item	ADP code	Same period of the previous year	Current period
1	2	3	4
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
1 Pre-tax profit	1	228.944	188.880
2 Depreciation	2	1.502.315	1.594.911
3 Increase in short-term liabilities	3	0	0
4 Decrease in short-term receivables	4	1.517.639	1.088.543
5 Decrease in inventories	5	312	0
6 Loss on impairment for expected credit losses	6	0	0
7 Other cash flow increase	7	431.039	747.624
<b>I Total cash flow increase from operating activities 001+...+007</b>	<b>8</b>	<b>3.680.249</b>	<b>3.619.958</b>
1 Decrease in short-term liabilities	9	869.599	131.871
2 Increase in short-term receivables	10	0	0
3 Increase in inventories	11	0	0
4 Profit from reversal of provisions for impairment for expected	12	0	0
5 Other cash flow decrease	13	786.347	482.151
<b>II Total cash flow decrease from operating activities 009+...+013</b>	<b>14</b>	<b>1.655.946</b>	<b>614.022</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>			
1 Cash receipts from sale of fixed tangible and intangible assets	15	0	0
2 Cash receipts the from sale of equity instruments and debt	16	0	0
3 Interest received	17	0	0
4 Dividends received	18	0	0
5 Other cash receipts from investment activities	19	2.457.578	5.557.791
<b>III Total cash receipts from investment activities 015+...+019</b>	<b>20</b>	<b>2.457.578</b>	<b>5.557.791</b>
1 Cash payments for the purchase of fixed tangible and intangible	21	1.030.923	2.220.322
2 Cash payments for the acquisition of equity financial	22	0	7.216.729
3 Other cash payments from investment activities	23	800.000	248.095
<b>IV Total cash payments from investment activities 021+...+023</b>	<b>24</b>	<b>1.830.923</b>	<b>9.685.146</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
1 Cash receipts from the issue of equity financial instruments and debt financial instruments	25	0	0
2 Cash receipts from credit principals, debentures, loans and other borrowings	26	0	0
3 Other cash receipts from financing activities	27	0	0
<b>V Total cash receipts from financing activities 025+...+027</b>	<b>28</b>	<b>0</b>	<b>0</b>
1 Cash payments for credit principals and bonds	29	0	0
2 Cash payments for dividends	30	0	0
3 Cash payments for finance lease	31	0	0
4 Cash payments for the redemption of treasury shares	32	0	0
5 Other cash payments from financing activities	33	558.187	588.032
<b>VI Total cash payments from operating activities 029+...+033</b>	<b>34</b>	<b>558.187</b>	<b>588.032</b>
<b>VII Cash and cash equivalents at the beginning of period</b>	<b>35</b>	<b>9.323.767</b>	<b>11.609.760</b>
<b>VIII Increase of cash and cash equivalents</b>	<b>36</b>	<b>2.092.771</b>	<b>0</b>
<b>IX Decrease of cash and cash equivalents</b>	<b>37</b>	<b>0</b>	<b>1.709.451</b>
<b>X Cash and cash equivalents at the end of period</b>	<b>38</b>	<b>11.416.538</b>	<b>9.900.309</b>

STATEMENT OF CHANGES IN EQUITY										
		for the period from 1.1.2022 to 30.9.2022							in HRK	
Item	ADP	Attributable to owners of the parent							Attributable to non-controlling interests	Total capital and reserves
		Subscribed capital	Capital reserves	Profit reserves	Profit or loss for the year (period)	Retained profit or loss brought forward	Fair value reserves	Other revaluation reserves		
1	2	3	4	5	6	7	8	9	10	11
<b>Balance on the first day of the previous business year</b>	<b>1</b>	46.357.000	13.860.181	141.000	2.152.251	-20.359.103	0	779.350	0	42.930.679
Change in accounting policies	2	0	0	0	0	0	0	0	0	0
Correction of errors from prior periods	3	0	0	0	0	0	0	0	0	0
<b>Balance on the first day of the previous business year (restated)</b>	<b>4</b>	46.357.000	13.860.181	141.000	2.152.251	-20.359.103	0	779.350	0	42.930.679
Profit or loss for the period	5	0	0	0	363.551	0	0	0	0	363.551
Unrealised gains or losses on financial assets at fair value through other comprehensive income	6	0	0	0	0	0	0	0	0	0
Other changes in equity unrelated to owners	7	0	0	0	0	0	0	-67.452	0	-67.452
<b>Total directly recognized income and expenses of the previous year (previous year periods)</b>	<b>8</b>	0	0	0	363.551	0	0	-67.452	0	296.099
Increase/decrease in subscribed capital	9	0	0	0	0	0	0	0	0	0
Other contributions by owners	10	0	0	0	0	0	0	0	0	0
Payment of share in profit/dividend	11	0	0	0	0	0	0	0	0	0
Other distribution to owners	12	0	0	0	-2.152.251	2.152.251	0	0	0	0
<b>Balance on the last day of the previous business year reporting period</b>	<b>13</b>	46.357.000	13.860.181	141.000	363.551	-18.206.852	0	711.898	0	43.226.778
<b>Balance on the first day of the current business year</b>	<b>14</b>	46.357.000	13.860.181	141.000	363.551	-18.206.852	0	711.898	0	43.226.778
Change in accounting policies	15	0	0	0	0	0	0	0	0	0
Correction of errors from prior periods	16	0	0	0	0	0	0	0	0	0
<b>Balance on the first day of the current business year (restated)</b>	<b>17</b>	46.357.000	13.860.181	141.000	363.551	-18.206.852	0	711.898	0	43.226.778
Profit or loss for the period	18	0	0	0	55.869	0	0	0	0	55.869
Unrealised gains or losses on financial assets at fair value through other comprehensive income	19	0	0	0	0	0	0	0	0	0
Other changes in equity unrelated to owners	20	0	0	0	0	0	528.686	24.153	0	552.839
<b>Total directly recognised income and expenses of the current year (current period)</b>	<b>21</b>	0	0	0	55.869	0	528.686	24.153	0	608.708
Increase/decrease in subscribed capital	22	-23.178.500	0	6.147.850	0	17.030.650	0	0	0	0
Other contributions by owners	23	0	0	0	0	0	0	0	0	0
Payment of share in profit/dividend	24	0	0	0	0	0	0	0	0	0
Other distribution to owners	25	0	0	0	-363.551	363.551	0	0	0	0
<b>Balance on the last day of the current business year reporting period</b>	<b>26</b>	23.178.500	13.860.181	6.288.850	55.869	-812.651	528.686	736.051	0	43.835.486

## NOTES TO THE FINANCIAL STATEMENTS – TFI

(drawn up for quarterly reporting periods)

Name of issuer: Zagrebačka burza d.d.

Personal identification number (OIB): 84368186611

Reporting period: 1.1.2022 - 30.9.2022

Sort of report: Consolidated

### 1. Reporting entity

Zagrebačka burza d.d. (“the Company”) is a joint stock company domiciled in the Republic of Croatia and was registered at the Commercial Court in Zagreb on 5 July 1991 under the number (MBS) 0800034217. The personal identification number of the Company (OIB) is 84368186611. The address of the Company’s registered office is Eurotower, 22nd floor, Ivana Lučića 2a/22, Zagreb, Croatia.

### 2. Basis of preparation and significant accounting policies

#### *Basis for preparation*

Consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS). Consolidated financial statements are prepared on a historical cost basis, except for financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income, which are measured at fair value, and buildings and land that are measured at fair value.

Detailed information on the basis for preparation of the financial statements are provided in the Note No. 2 to the consolidated financial statements presented in the Annual Report on Group Status and Business Activities in 2021 available on the internet page [www.zse.hr](http://www.zse.hr) (further: Annual Report of the Group).

#### *Significant accounting policies*

The interim financial statements for the reporting period are prepared applying the same accounting policies as in the latest annual consolidated financial statements for 2021, available on the internet page [www.zse.hr](http://www.zse.hr).

*Disclosure of information required by IFRSs that are not presented elsewhere in the statement of financial position, statement of comprehensive income, statement of cash flows and statement of changes in equity*

Information required by IFRSs that are not presented elsewhere in the consolidated statement of financial position, statement of comprehensive income, statement of cash flows and statement of changes in equity are disclosed in the report Consolidated unaudited financial result for period 1.1. to 30.9.2022 (further: Consolidated Result for 3<sup>rd</sup> quarter) as published on the internet page [www.zse.hr](http://www.zse.hr).

### 3. Financial commitments, guarantees or contingencies that are not included in the balance sheet, and an indication of the nature and form of any valuable security which has been provided

The Group does not have financial commitments, guarantees or contingencies that are not included in the consolidated balance sheet as of 30 September 2022 nor has issued securities.

### 4. Amount and nature of individual items of income or expenditure which are of exceptional size or incidence

Details on the income or expenditure which are of exceptional size or incidence are presented in the Note 1.12 of Consolidated Result for 3<sup>st</sup> quarter ([www.zse.hr](http://www.zse.hr)).

Besides the above-mentioned notes, we are describing the differences in classification between incomes and expenditures as presented in the audited consolidated financial statements and Notes to

the consolidated financial statements presented in the Annual Report of the Group and incomes and expenditures presented in this TFI form:

(a) income from assigning and administering LEIs is, in accordance with the Groups accounting policies, reported in other income (AOP 12) in the amount of HRK 283 thousand

(b) other differences between the information presented in the consolidated financial statements in TFI form compared to the classification of the information in the audited consolidated financial statements for 2021 are presented in the Attachment to these notes.

**5. Liabilities falling due after more than five years, as well as debts covered by valuable security**

At the balance sheet date, the Group does not have liabilities falling due after more than five years.

At the balance sheet date, the Group does not have debts covered by valuable securities.

**6. Average number of employees during the reporting period**

The average number of employees during the reporting period is 39.

**7. Capitalized costs of salaries during the reporting period**

The Group did not capitalize salaries during the reporting period.

**8. Deferred taxes**

The provision for deferred taxes, amount of the deferred taxes at the beginning and at the end of the reporting period and movement during the reporting period is as follows:

	1.1.2022	Increase	Decrease	30.9.2022
	kn'000	kn'000	kn'000	kn'000
Deferred tax assets	179	-	(12)	167
Deferred tax liabilities	(189)	-	-	(189)
	<b>(10)</b>	-	<b>(12)</b>	<b>(22)</b>

**9. Name and registered office of each of the companies in which the issuer, either itself or through a person acting in their own name but on the issuer's behalf, holds a participating interest, showing the amount of capital held, the amount of total capital and reserves, and profit or loss**

In the balance sheet as of December 31, 2021, under the position "Financial assets at fair value through other comprehensive income" (FI: "Financial assets carried at amortized cost"), the Company had investments in shares of Macedonian Stock Exchange d.d. in the amount of HRK 1,484 thousand, which represented 0.7% of the share in the capital of that company. During 2022, the Company acquired additional shares of the aforementioned company, and as of September 30, 2022, it holds a 30% stake in that company. As of September 30, 2022, investments in shares of the Macedonian Stock Exchange are reported under the position "Investments in associates and joint ventures" (FS: "Investments in associated companies, subsidiaries and joint ventures") in the total amount of HRK 9,229 thousand.

Investments in subsidiaries and associated companies and joint ventures are presented below.

Entity	Relation	Country	Shares	Equity and reserves	Current year result
			%	000'HRK	000'HRK
<b>30.9.2022</b>					
Ljubljanska burza d.d.	Subsidiary	Slovenia	100,0%	18.525	514
SEE Link d.o.o.	Joint venture	North Macedonia	33,3%	442	14
Funderbeam SEE d.o.o.	Associate	Croatia	30,0%	-1.068	31
Makedonska burza d.d.	Associate	North Macedonia	30,0%	22.763	1.577
<b>31.12.2021</b>					
Ljubljanska burza d.d.	Subsidiary	Slovenia	100,0%	18.356	316
SEE Link d.o.o.	Joint venture	North Macedonia	33,3%	429	90
Funderbeam SEE d.o.o.	Associate	Croatia	30,0%	-1.099	-115

**10. Number and nominal value of shares subscribed during the reporting period within the limits of the authorised capital**

There were no shares subscribed during the reporting period within the limits of the authorised capital.

Based on the Decision of the Company's Assembly dated June 14, 2022, the share capital of the Company is reduced in a regular procedure for the purpose of transferring HRK 23,178,500.00 to other reserves of the Company. By undertaking the share capital reduction, the nominal value per share is reduced to the amount which is lower than the minimum nominal amount permitted under Article 163(2) of the Companies Act. Hence, the share capital is reduced in a regular procedure through a consolidation of shares (reverse split), in accordance with Article 342(4) of the Companies Act. The shares are consolidated at a ratio of 2:1 by issuing to each shareholder 1 registered share with a nominal value of HRK 10.00 for 2 shares outstanding.

**11. Existence of any participation certificates, convertible debentures, warrants, options or similar securities or rights, with an indication of their number and the rights they give**

The Group has no participation certificates, convertible debentures, warrants, options or similar securities or rights.

**12. Name, registered office and legal form of each of the companies of which the issuer is a member having unlimited liability**

The Group has no shares in companies having unlimited liability.

**13. Name and registered office of the company which draws up the consolidated financial statements of the largest group of companies of which the issuer forms part as a controlled group member**

The Company is the final parent company and is not a controlled member of any group.

The Company prepares quarterly consolidated financial statements that are available for use on the internet page [www.zse.hr](http://www.zse.hr).

- 14. Name and registered office of the company which draws up the consolidated financial statements for the reporting period of the smallest group of companies of which the issuer forms part as a controlled group member and which is also included in the group of companies referred to in point 13.**

The Company is the final parent company and is not a controlled member of any group.

- 15. Place where copies of the consolidated financial statements referred to in points 13 and 14 may be obtained**

The Company prepares quarterly consolidated financial statements that are available for use on the internet page [www.zse.hr](http://www.zse.hr).

- 16. Nature and business purpose of the company's arrangements that are not included in the balance sheet and the financial impact on the company of those arrangements, provided that the risks or rewards of such arrangements are material and to the extent that disclosure of such risks or rewards is necessary to assess the issuer's financial condition**

The Group has no arrangements that are not included in the presented consolidated financial statements.

- 17. Nature and the financial effect of significant events arising after the balance sheet date which are not reflected in the profit and loss account or balance sheet**

Significant events arising after the balance sheet date are presented in the Note 1.11 to the Consolidated Result for 3<sup>rd</sup> quarter of 2022 as published on the internet page [www.zse.hr](http://www.zse.hr)

***Attachment: Reconciliation of the classification of the items of the financial statements in TFI form compared to the classification used in preparation of the audited financial statements for the year 2021:***

<b>P&amp;L item (IFRS)</b>	<b>Amount HRK'000</b>	<b>P&amp;L item (GFI)</b>	<b>Amount HRK'000</b>
Staff costs	10.486	Staff costs Reclassification from other costs	9.916 570
Other operating costs	8.133	Costs of raw materials Other external costs Value adjustment Other costs Other operating expenses Reclassification to staff costs	453 5.608 20 2.582 40 (570)
<b>Balance sheet item (IFRS)</b>	<b>Amount HRK'000</b>	<b>Balance sheet item (GFI)</b>	<b>Amount HRK'000</b>
Property and equipment Assets with right of use	9.198 2.881	Land and buildings Computer equipment Other tangible assets Leasehold improvements Rounding	8.686 1.377 1.281 735 -
Financial assets at fair value through other comprehensive income Long term deposits Guarantee deposits Loans receivable from associate	197 - 250 217	Financial assets at amortised cost (long term) Rounding	664 -
Trade receivables and other assets Inventories	2.856 6	Receivables (short term) Rounding	3.248 (386)
Other reserves* Revaluation reserves Actuarial gains / losses Translation reserves *Reserves from decrease of the subscribed share equity	6.148 947 (14) (195)	Other reserves from profit Rounding	6.884 2
Trade and other payables (short term) Short term financial liabilities Liabilities for corporate income tax	2.305 741 120	Liabilities for advance payments Trade payables Liabilities to employees Taxes, contributions and similar liabilities Liabilities to connected undertakings Other short-term liabilities Rounding	9 978 797 397 - 987 (2)
Contractual liabilities	5.678	Accruals and deferred income Rounding	5.675 3