



ZAGREBAČKA BURZA
Zagreb Stock Exchange



LJUBLJANSKA BORZA
LJUBLJANA Stock Exchange

Zagreb Stock Exchange Group

Consolidated unaudited financial results for
1/1/2023 – 30/9/2023

24 October 2023

CONTENTS

1	INTERIM MANAGEMENT REPORT FOR THE PERIOD BETWEEN 1/1/2023 AND 30/9/2023	1
1.1	Significant business events of the Group in the period between 1/1/2023 and 30/9/2023.....	1
1.2	Zagreb and Ljubljana Stock Exchange overview	4
1.3	Expected future development of the Group	11
1.4	Research & Development activities.....	11
1.5	Information on repurchase of own shares	11
1.6	Zagreb Stock Exchange Group	12
1.7	Financial instruments used by the Group.....	12
1.8	Group's objectives and policies related to financial risk management	13
1.9	Group's exposure to price risk, credit risk, liquidity risk and cash flow risk	13
1.10	Statement of transactions and transfers within the Group and between the Group and its shareholders 13	
1.11	Statement of events which might have an adverse effect on Group operations.....	13
1.12	Business results for 1/1/2023 – 30/9/2023	14
2	DECLARATION OF RESPONSIBILITY FOR THE PREPARATION OF FINANCIAL STATEMENTS	18
	Consolidated unaudited financial statements of the Group for 1/1/2023 – 30/9/2023	19

1 INTERIM MANAGEMENT REPORT FOR THE PERIOD BETWEEN 1/1/2023 AND 30/9/2023

1.1 Significant business events of the Group in the period between 1/1/2023 and 30/9/2023

In the first half of 2023, the Zagreb Stock Exchange Group (hereinafter: the Group) recorded the following significant business events:

- On January 2, the first trading day of 2023, the Exchange opened trading in euro as the new official currency of the Republic of Croatia.
- On March 8, 2023, following significant public interest, Zagreb Stock Exchange signed an agreement on the listing of state bonds on the Official Market.
- On March 8, 2023, the Zagreb and Ljubljana stock exchanges organized the event "Ring for Gender Equality" to mark International Women's Day by opening trade in symbolic bells to emphasize the need to include more women in the world of work and their advancement in the business world.
- On March 10, 2023 the Croatian financial services agency approved the Amendments to the Price list of Zagreb Stock Exchange, which represent a correction of prices for the services of trade report publications and trading data use and dissemination. The Amendments to the Price list entered into force on April 1, 2023.
- On March 21, 2023, as part of the World Money Week, the Ljubljana Stock Exchange organized a webinar titled "Let's go to the Stock Exchange and Save".
- On March 22, 2023, the Ljubljana Stock Exchange organized a webinar titled "Slovenian Listed Companies Online".
- On May 9 – 10, 2023, the Ljubljana Stock Exchange organized the 40th annual Financial conference in Portorož.
- On May 10, 2023, the Commercial Court in Zagreb registered the incorporation of company Adria Digital Exchange seated in Zagreb, in whose share capital the Zagreb Stock Exchange holds a minority share of 24%. The company was founded with the intent to research and develop potential for trading and management of virtual assets.
- On May 10, 2023, the Zagreb Stock Exchange Academy celebrated its 13th anniversary. Since it was founded in 2010, the Academy organized over 600 educational events and seminars, attended by over 11,000 participants.
- On May 22, 2023, the new version of the Xetra T7 11.1 trading system was put into production on the Zagreb and Ljubljana stock exchanges. The migration was carried out without difficulty.

- On May 26, 2023, the InterCapital BET-TR UCITS Exchange Traded Fund was listed on the Zagreb Stock Exchange, based on the Romanian BET-TR index.
- On May 30, 2023, the Ljubljana Stock Exchange organized an event titled "Trade on the Stock Exchange" with the aim of encouraging the public to engage on the Slovenian capital market.
- On June 1 and 2, 2023, the investment conference of the Zagreb and Ljubljana stock exchanges "CEE Investment Opportunities" was held. The event has been taking place annually since 2014, with the aim to facilitate access of regional and international investors to Slovenian and Croatian companies, thereby strengthening their visibility and supporting market liquidity. For the third consecutive year, Slovenian and Croatian companies were joined by companies listed on the Macedonian Stock Exchange, and for the first time the event hosted companies listed on the Bucharest Stock Exchange. The event took place in Zagreb, counting over 60 investors and 250 meetings with listed companies.
- On June 13, 2023, 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 taking place since 2011. The education brought together more than a hundred representatives of companies listed on the Zagreb Stock Exchange and was held online. The representatives of the European bank for reconstruction and development announced upcoming seminars on corporate governance, as a follow-up on the project of renewal of the Code of Corporate Governance written by the Croatian Financial Services Supervisory Agency and the Zagreb Stock Exchange, which is supported by EBRD.
- On July 13, 2023, the Ljubljana Stock Exchange organized a webinar titled "Overview of the events on the Stock Exchange in Q2 2023"
- On September 7, 2023, Zagreb Stock Exchange was granted the Premium Green Certificate, which is awarded to companies for positive contribution to the environment and the community. The certificate is awarded by the largest private information intermediary, the company Elektronički računi, and brings together companies for whom environmental and community care, as well as digitalization, are integral parts of their business identity.
- On September 8, 2023, Zagreb Stock Exchange, in collaboration with the HANFA, European Bank for Reconstruction and Development and Morrow Sodali held the first of five modules of the corporate governance course titled "Governance and ESG Development".
- On September 12, 2023, Zagreb Stock Exchange initiated activities of publishing profiles of listed tourism companies on its official website, with the goal of profiling the Croatian capital market as the leading place in Southeastern Europe for financing tourism companies.
- On September 12, 2023, Zagreb Stock Exchange published a notification on the incorporation of company EuroCTP B.V., which was established by European exchanges with the goal of providing consolidated trading data in the European union. Zagreb Stock Exchange joined the

initiative in order to participate in the tender for selection of a consolidated tape provider in the European union.

- On September 12, 2023, the Ljubljana Stock Exchange organized an event titled “Slovenian Listed Companies Online”, which gathered six issuers listed in the Prime segment of the Ljubljana Stock Exchange.
- On September 13, 2023, Zagreb Stock Exchange held the Prime Plus investment webcast, which was attended by around 60 domestic and foreign analysts and investors. Companies included in the Prime Market, joined by several companies listed on other ZSE market segments presented their business results.
- On September 26, 2023, Zagreb Stock Exchange became a partner in the Interreg MESTRI-CE project, along with ten partners from six countries (Austria, Slovenia, Italy, Poland, Germany and Croatia) with the aim at testing a new financing model for more climate-sustainable buildings.
- From the start of 2023, the Regulated market of Zagreb Stock Exchange listed a total of fifteen treasury bills and the state bond of the Ministry of finance of the Republic of Croatia, issuers VIS D.D., MODRA ŠPILJA D.D., PROFESSIO ENERGIA D.D. and PRIMO REAL ESTATE D.D. listed additional shares on the Regular market segment, issuer ČAKOVEČKI MLINOVI D.D. moved onto the Official Market segment, while issuer MON PERIN D.D. moved onto the Regular from the Official Market segment. During 2023, new listings include bonds of the issuers ERSTE & STEIERMÄRKISCHE BANK D.D., ZAGREBAČKI HOLDING D.D. and the InterCapital BET-TRN UCITS ETF. From the start of 2023, the Regulated Market of Zagreb Stock Exchange delisted sixteen treasury bills of the Ministry of finance of the Republic of Croatia, bonds of issuer ZAGREBAČKI HOLDING D.D., and shares of issuers TURISTHOTEL D.D. and JELSA D.D.

1.2 Zagreb and Ljubljana Stock Exchange overview

In the third quarter of 2023, the total turnover amounted to EUR 123.3 million, which is 39.2% more than in the same period of 2022, while the total turnover since the beginning of the year, i.e., in the first three quarters of 2023, amounts to EUR 260.3 million (-9.8% compared to the first three quarters of 2022).

Securities turnover - 3Q 2022/3Q 2023

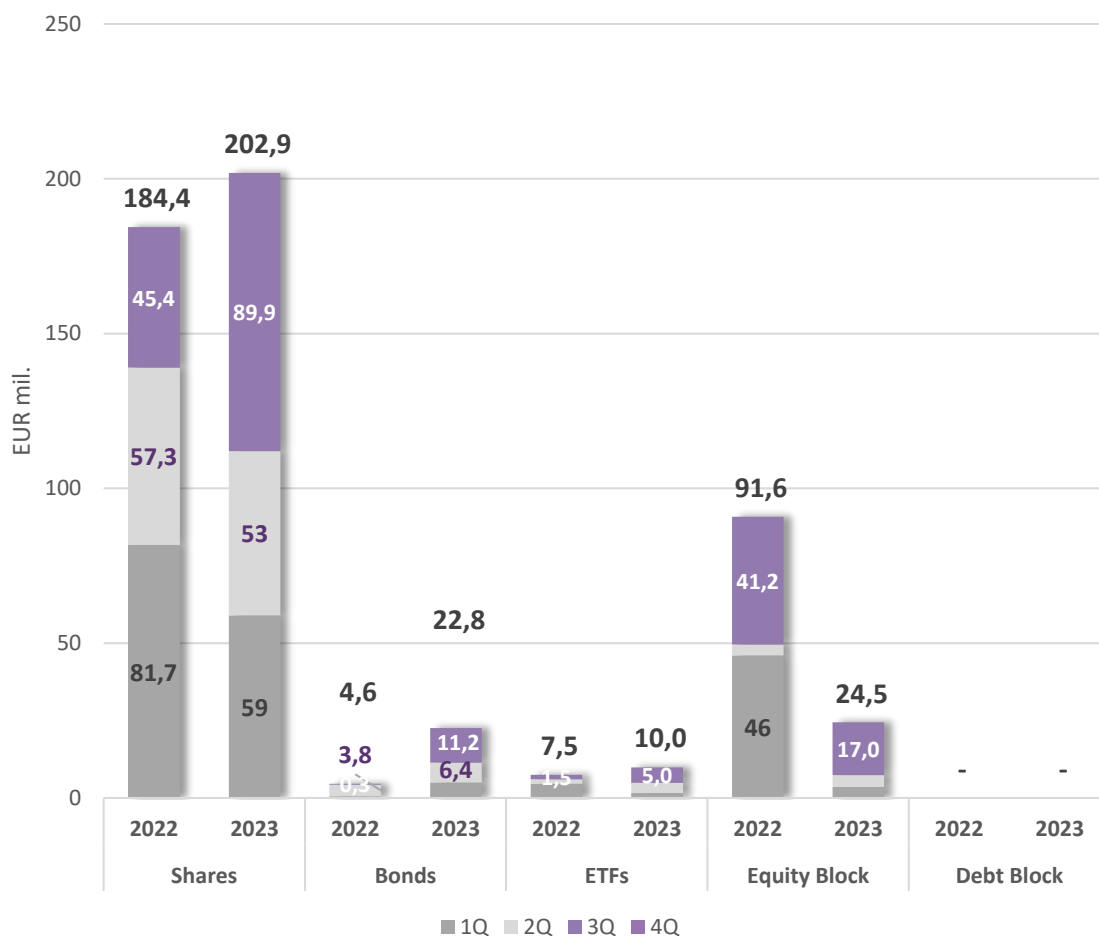
	HRK 3Q 2022	EUR 3Q 2022	EUR 3Q 2023	change
TOTAL TURNOVER	667,525,100	88,595,806	123,311,195	39.18%
Orderbook turnover	356,627,309	47,332,578	106,226,253	124.43%
Shares	342,586,776	45,469,079	89,906,050	97.73%
Bonds	2,315,625	307,336	11,295,231	3575.20%
ETFs	11,724,907	1,556,163	5,024,972	222.91%
Block turnover	310,897,791	41,263,228	17,084,943	-58.60%
Equity block turnover	310,897,791	41,263,228	17,084,943	-58.60%
Debt block turnover	0	0	0	

Securities turnover – 1-3Q 2022/1-3Q 2023

	HRK 1-3Q 2022	EUR 1-3Q 2022	EUR 1-3Q 2023	change
TOTAL TURNOVER	2,174,427,274	288,596,094	260,364,762	-9.78%
Orderbook turnover	1,483,676,104	196,917,659	235,782,971	19.74%
Shares	1,391,271,712	184,653,489	202,961,181	9.91%
Bonds	35,336,046	4,689,899	22,802,954	386.21%
ETFs	57,068,346	7,574,271	10,018,837	32.27%
Block turnover	690,751,170	91,678,435	24,581,791	-73.19%
Equity block turnover	690,751,170	91,678,435	24,581,791	-73.19%
Debt block turnover	0	0	0	0

Despite smaller turnovers compared to the first three quarters of 2022, positive sentiment is apparent on the quarter-level. The third quarter of 2023 recorded increased turnovers in all listed securities, while the only decrease is recorded in the equity block turnovers. The orderbook turnover amounted to EUR 106.2 million, 124.4% more than in the third quarter of 2022. Of this amount, EUR 89.9 million refers to equity turnover (3Q 2022: EUR 45.4 million), EUR 11.2 million to bond turnover (3Q 2022: EUR 0.3 million), while ETFs achieved a turnover of EUR 5 million (3Q 2022: EUR 1.5 million). The equity block turnover amounted to EUR 17 million (3Q 2022: EUR 41.2 million), while the debt block turnover was not recorded as in the same period last year. Since the beginning of 2023, the total turnover has reached EUR 260.3 million, which is -9.8% less than in the first three quarters of last year (1-3Q 2022: EUR 288.5 million). Within the orderbook in the first three quarters of 2023, the equity turnover amounted to EUR 202.9 million and is higher by +9.9% (1-3Q 2022: EUR 184.6 million), the bond turnover was EUR 22.8 million and is higher by +386.2% (1-3Q 2022: EUR 4.6 million), while ETF turnover increased by +32.3% and amounts to EUR 10 million (1-3Q 2022: EUR 7.5 million). Equity block turnover amounts to EUR 24.5 million, which is a decrease of -73.2% compared to the same period in 2022 (1-3Q 2022: EUR 91.6 million).

Securities turnover



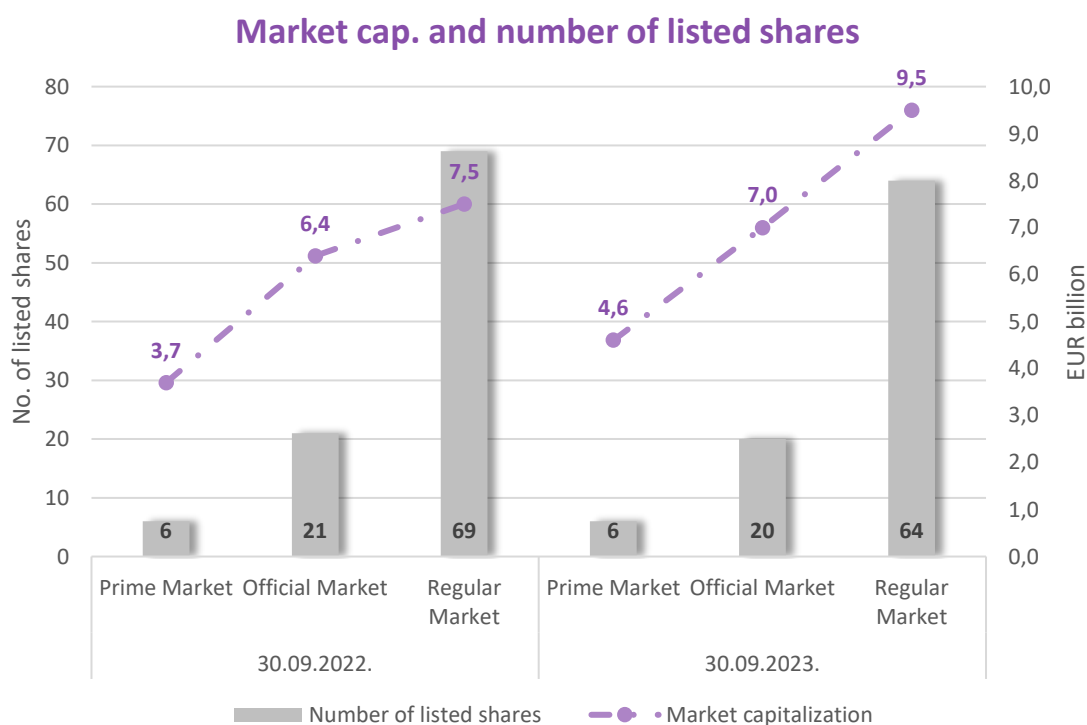
The market value measured by market capitalization as of 30 September 2023 was higher by a total of EUR 4.9 billion compared to the end of the third quarter of 2022. The equity market capitalization is higher by EUR +3.5 billion or +20.4%, with the market capitalization of the Prime Market increased by +23.8%, the Official Market increased by +9.9%, and the Regular Market by +27.6%. The debt market capitalization is higher by +8% while the value of ETFs increased by a significant +126.1%.

Market capitalization

	Market Capitalization			
	30.09.2022 HRK	30.09.2022 EUR	30.09.2023 EUR	change
TOTAL	257,108,946,162	34,124,221,403	39,058,581,363	14.46%
Shares	132,853,913,043	17,632,744,448	21,227,776,393	20.39%
Prime Market	28,004,075,875	3,716,779,597	4,602,421,018	23.83%
Official Market	48,263,850,899	6,405,713,836	7,042,207,802	9.94%
Regular Market	56,585,986,269	7,510,251,015	9,583,147,573	27.60%
Bonds	124,202,154,774	16,484,458,793	17,814,931,741	8.07%
ETFs	52,878,345	7,018,162	15,873,229	126.17%

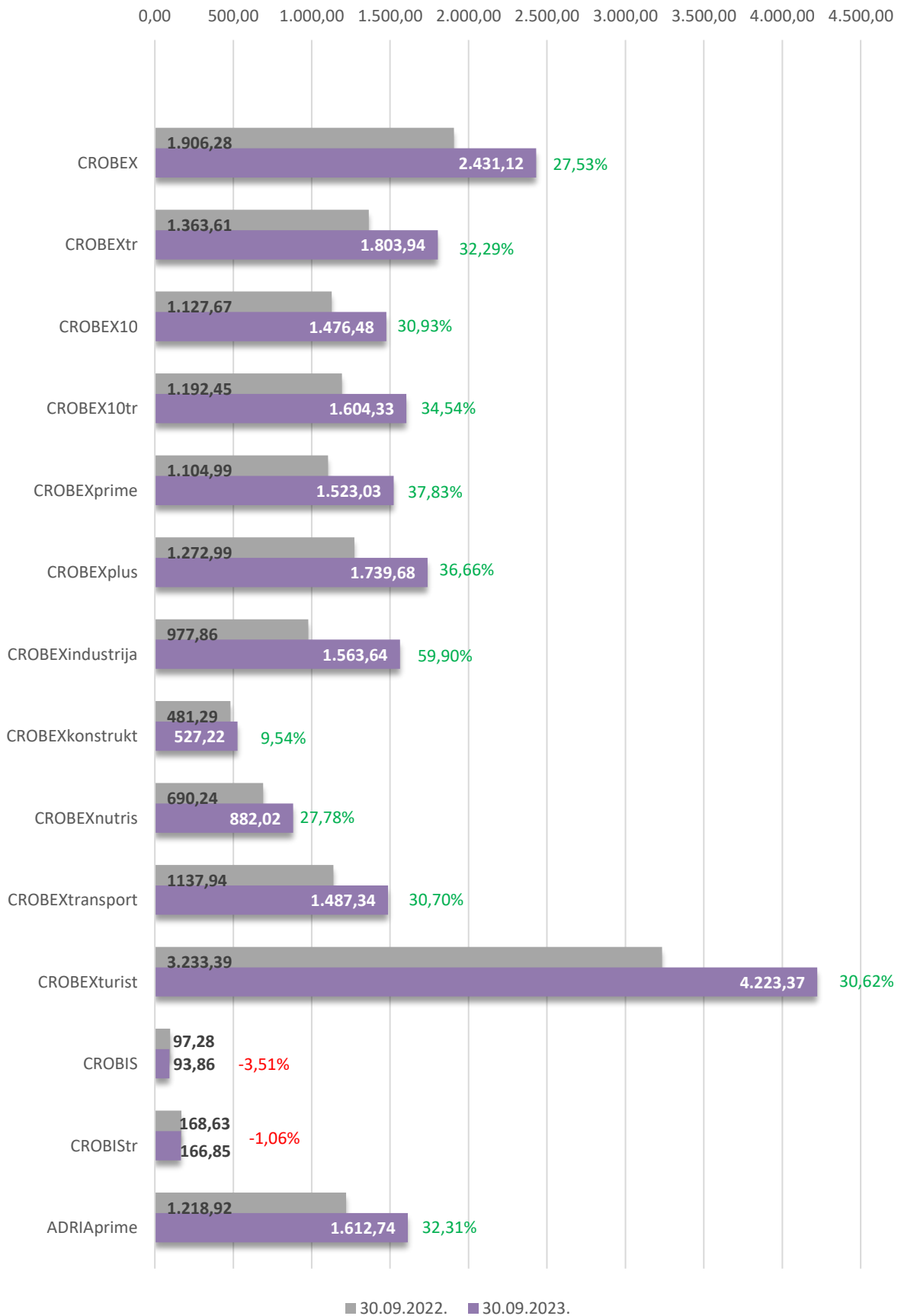
Compared to the end of the first three quarters of 2022, as of 30 September 2023, The Regular Market segment counted five less listed shares, the Official Market segment counted one less listed share, while the number of shares listed on the Prime Market remained unchanged.

Number of listed securities			
	30.09.2022.	30.09.2023.	change
TOTAL	139	135	-2.88%
Shares	96	90	-6.25%
Prime Market	6	6	0.00%
Official Market	21	20	-4.76%
Regular Market	69	64	-7.25%
Bonds	33	32	-3.03%
ETFs	2	3	50.00%
Money Market Instruments	8	10	25.00%

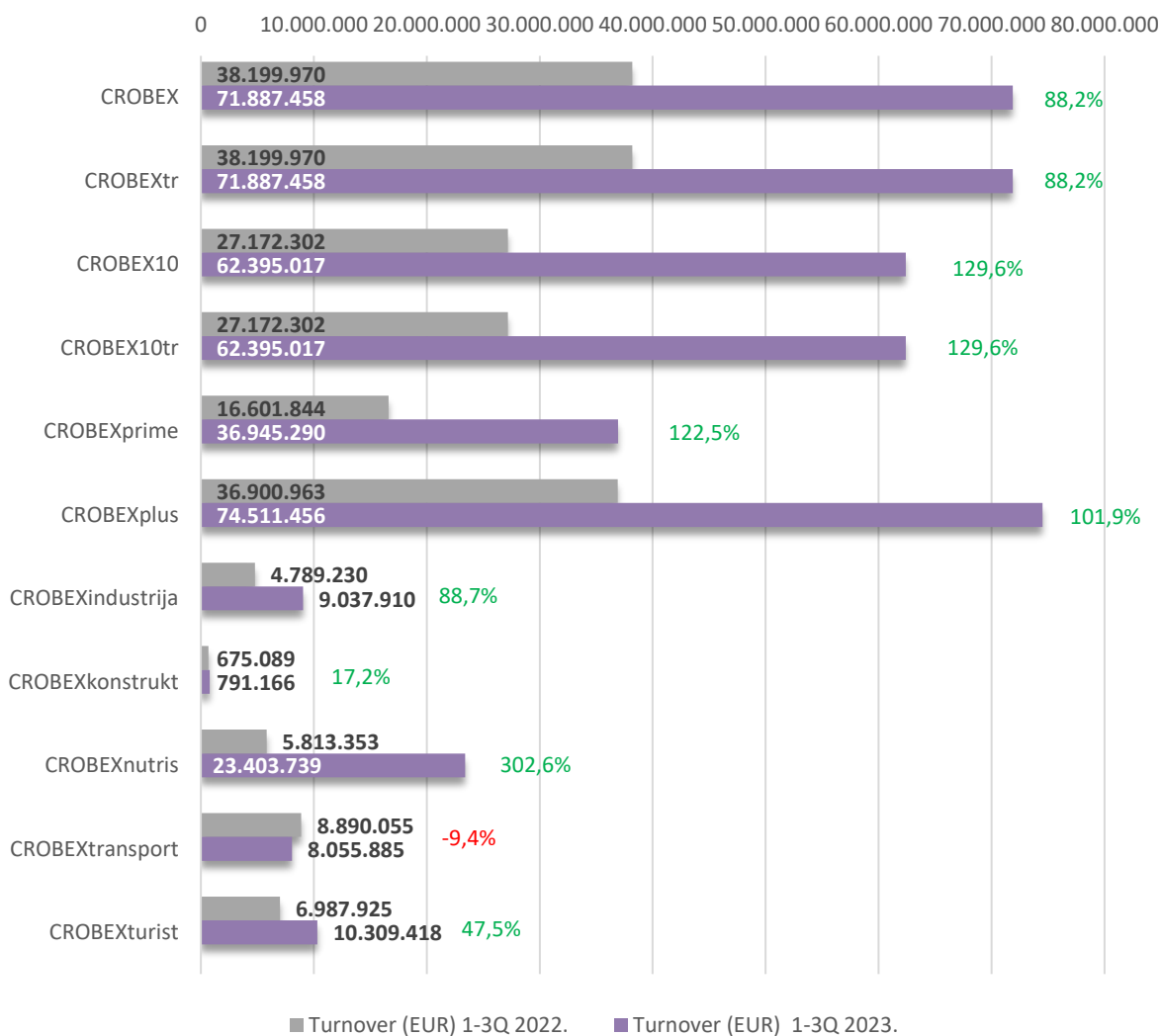


The third quarter of 2023 continues a stable trend among indices as well. Along with higher turnovers, all equity indices recorded substantial growth in the third quarter of 2023. The most significant increase was that of CROBEXindustrija (+59.9%), CROBEXprime (+37.8%) and CROBEXplus (+36.6%) The regional index ADRIAprime recorded an increase of +32.3%, while bond indices decreased by -3.5% (CROBIS) and -1% (CROBIStr).

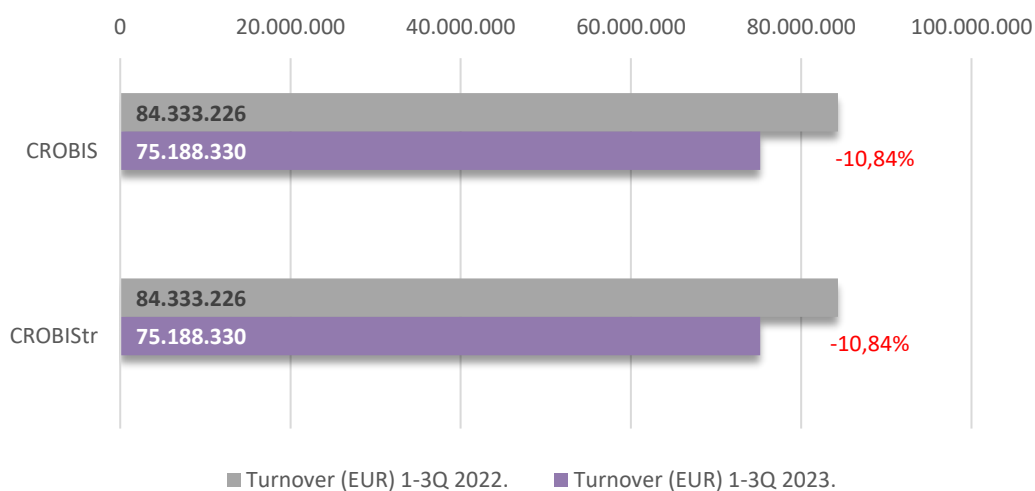
Indices - values (30.09.2022. vs. 30.09.2023.)



Equity indices - turnovers (1-3Q 2022 vs. 1-3Q 2023)



Bond indices - turnovers (1-3Q 2022 vs. 1-3Q 2023)



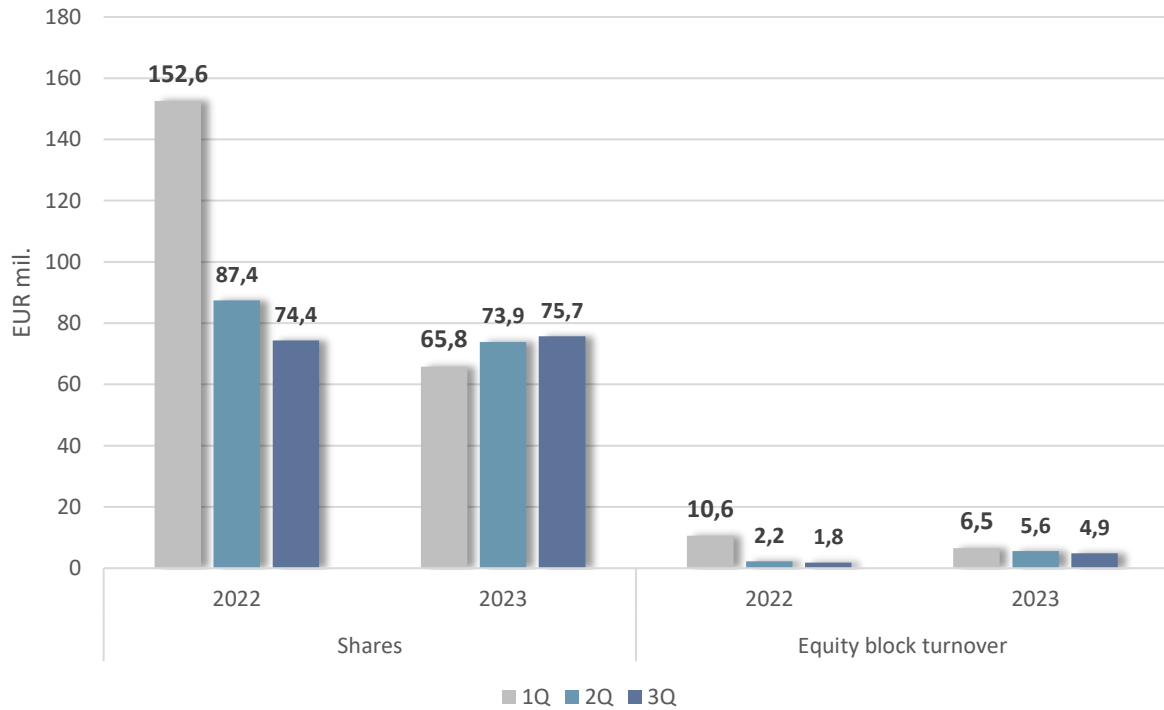
The total turnover at the Ljubljana Stock Exchange in the third quarter of 2023 amounted to EUR 83 million, which is an increase of +9.8% compared to the third quarter of last year, while the total turnover since the beginning of the year, i.e., in the first three quarters of 2023, amounted to EUR 237 million which is a decrease of -27.9% compared to the same period of 2022.

Ljubljana Stock Exchange overview

EUR	3Q 2022.	3Q 2023.	change	1-3Q 2022.	1-3Q 2023.	change
TOTAL TURNOVER	76,329,319	83,802,831	9.8%	329,222,393	237,290,560	-27.9%
Orderbook turnover	74,511,656	78,890,114	5.9%	314,563,427	220,232,725	-30.0%
Shares	74,467,400	75,738,776	1.7%	314,172,810	201,543,093	-35.8%
Bonds	1,596	208,953	12992.3%	17,302	228,593	1221.2%
T-bills	/	2,875,325	/	/	4,403,011	
Structured products	42,659	67,151	57.4%	373,315	358,028	-4.1%
Block turnover	1,817,664	4,912,717	170.3%	14,658,966	17,057,836	16.4%
Equity block	1,817,664	4,912,717	170.3%	14,658,966	17,057,836	16.4%
Debt block	0	0	0.0%	0	0	0.0%
	30.09.2022.	30.09.2023.	change			
Equity Market Capitalization (EUR)	7,034,922,444	8,611,825,768	22.4%			
SBITOP	961,90	1.174,31	22.1%			
SBITR	1.203,92	1.568,10	30.2%			

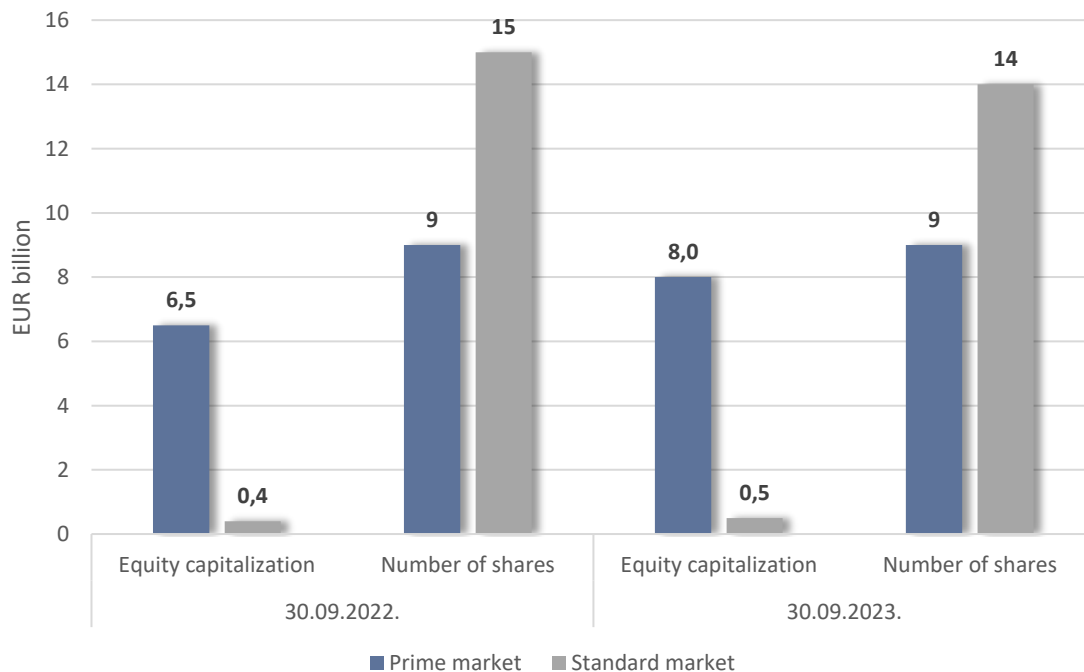
Within the orderbook, share turnover in the third quarter of 2023 alone reached the amount of EUR 75 million, which is an increase of +1.7% compared to the same period last year when it amounted to EUR 74 million. The share of bonds and structured products turnover is far lower than the equity turnover share in the total securities turnover of the Ljubljana Stock Exchange. In the third quarter of 2023, the bonds turnover amounted to EUR 208 thousand (3Q 2022: EUR 1.5 thousand), while at the same time the turnover of the structured products amounted to EUR 67 thousand (3Q 2022: EUR 42 thousand). T-bills turnover on the quarter level amounts to EUR 2.8 million, and a total of EUR 4.4 million from the beginning of 2023. In the third quarter of 2023, the equity block turnover amounted to EUR 4.9 million (an increase of EUR +3 million compared to the third quarter of 2022), while the debt turnover was not recorded as in the same time last year. From the beginning of 2023, the shares turnover within the orderbook is lower by -35.8% and in the first three quarters of 2023 amounts to EUR 201.5 million. At the same time, bonds turnover reached the amount of EUR 228 thousand (1-3Q 2022: EUR 17 thousand), and the turnover of the structured products was EUR 358 thousand (1-3Q 2022: EUR 373 thousand). The equity block turnover in the first nine months of 2023 is EUR 17 million, which is an increase of +16.4% compared to the same period last year (1-3Q 2022: EUR 14 million), while the debt block turnover is not recorded as in the same period last year.

Equity turnover on Ljubljana Stock Exchange



Compared to September 30, 2022, the equity market capitalization has increased by +22.4% and on the last day of the third quarter of 2023 amounted to EUR 8.6 billion. From the last value on September 30, 2022, the SBITOP index increased by +22.1% and amounts to 1,174.31, while the SBITR index increased by an impressive +30.2%, ending September this year at a value of 1,568.10.

Equity capitalization and number of listed shares



1.3 Expected future development of the Group

In 2023, the Group will continue to focus on raising Corporate Governance and reporting standards on the regulated market. The Group will also focus on greater promotion of existing issuers, with a focus on the Prime Market. During September of 2023, the Zagreb Stock Exchange initiated activities related to promotion of the issuers in the tourism sector, with the goal of profiling the Croatian capital market as the leading place for financing tourism companies in South-East Europe, and increasing their visibility via the Company's website and associated communication channels.

The Group will continue to develop internal 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 projects relating to the implementation of new technologies to market activities, regional SME capital market development (Progress), and education of market participants regarding green bond listings within the framework of the MESTRI CE project which is financed by the European union.

The Group will continue efforts in promoting ESG listings and issuer activities.

1.4 Research & Development activities

The Group has pressed on with continuous efforts at developing and improving its own service offering and at expanding service provision to the Slovenian market as well.

The beginning of 2023 marked the successful transition to euro as the official currency of the Republic of Croatia, and Zagreb Stock Exchange continued the activities on adjusting its services, publications and procedures according to the new currency.

In the second quarter of 2023, Zagreb Stock Exchange successfully completed an initiated migration of legacy services used by Ljubljana Stock Exchange and provided by Vienna Stock Exchange. Zagreb Stock Exchange thus further strengthened its position as the leading trading service provider for the entire Zagreb Stock Exchange Group, actively reducing costs and dependence on external service providers.

On May 15, 2023, Zagreb Stock Exchange, Inc. successfully completed the seventh annual accreditation process as a Local Operating Unit authorized to issue LEI codes, issued by the Global Legal Entity Identifier Foundation (GLEIF).

In the second half of 2023 the Group will continue working on previously initiated projects, as well as the implementation of new trading system releases and other infrastructure optimization activities.

1.5 Information on repurchase of own shares

In the Share Buy-back Program which started on October 3, 2022 until the end of 2022, the Exchange acquired a total of 5,500 of own shares. On September 30, 2023, the Exchange owns a total of 8,396 of own shares, which make up for 0.3611% of the Exchange's total 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 / EUR 32,384.37 and the share of the Zagreb Stock Exchange, Inc. in the share capital is 30%.

On June 30, 2023, the Zagreb Stock Exchange, Inc. holds a total of 837 shares, i.e., 29.98% of the share capital of Macedonian Stock Exchange, Inc.

Adria Digital Exchange d.o.o., a company seated in Zagreb. The share capital of the company is EUR 5,000, in which the Zagreb Stock Exchange, Inc. participates with 24%.

EuroCPT B.V., a company seated in Amsterdam. The share capital of the company is EUR 99.53, in which the Zagreb Stock Exchange, Inc. participates with 0.0502%.

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, Funderbeam SEE, Adria Digital Exchange and EuroCTP 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.

The Group is exposed to inflationary risks considering that a significant share of its costs is indexed.

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

The Group confirms that in the first three quarters of 2023 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 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, the management cannot reliably assess the impact as new developments take place day by day.

The Group, like all other business entities, is prone to risks related to the increase of prices of goods and services, and as such is aware of the increased risks caused by inflation which continues in 2023.

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 1/1/2023 – 30/9/20223

In the first three quarters of 2023, the Group generated a total of EUR 2,601 thousand of operating revenues, which is EUR -204 thousand or -7.3% less than in the same period last year when they amounted to EUR 2,805 thousand. Compared to the first three quarters of 2022, sales revenue decreased from EUR 1,911 to EUR 1,703 thousand, i.e., by EUR -208 thousand or -10.9%. The decrease in sales revenue is primarily the result of a decrease in income from commissions and membership fees, which, following the reduced securities turnover compared to the same period last year, reached the amount of EUR 761 thousand; EUR -150 thousand or -16.5% less compared to the first three quarters of 2022, when they amounted to EUR 911 thousand. In the first nine months of 2023, income from listing maintenance fees amounts to EUR 815 thousand, which is an increase of EUR +23 thousand or +2.9% (1-3Q 2022: EUR 792 thousand). Due to a lower number of new listings than in the same period last year, in the first three quarters of 2023, income from quotation maintenance decreased by EUR -81 thousand or -39.3% and amounted to EUR 125 thousand (1-3Q 2022: EUR 207 thousand). Compared to the first three quarters of 2022, other operating income increased by EUR +3.9 thousand or +0.4%, i.e., from EUR 894 to EUR 898 thousand. Other income reduced by EUR -56 thousand or -18.3% and amount to EUR 249 thousand and includes income from education and income from issuing and maintaining of LEIs (1-3Q 2022: EUR 305 thousand). Income from the supply of information increased by EUR +59 thousand or +10.2% and amounted to EUR 648 thousand (1-3Q 2022: EUR 588 thousand).

Observing only at the third quarter of 2023, the Group's total operating income amounts to EUR 888 thousand, which is an increase of EUR +5 thousand (+0.6%) compared to the third quarter of last year, when operating income amounted to EUR 882 thousand. Sales revenues increased from EUR 587 thousand in the third quarter of 2022 to EUR 608 thousand in the same period of the current year. The increase in sales revenues was caused by increased income from commissions and membership fees from EUR 239 to EUR 292 thousand (EUR +53 thousand or +22.2%). The income from listing maintenance fees increased slightly and amounts to EUR 281 thousand (3Q 2022: EUR 272 thousand). Other operating income decreased from EUR 295 to EUR 279 thousand (EUR -16 thousand or -5.4%). Within other operating income, income from the supply of information increased from EUR 194 to EUR 215 thousand (EUR +21 thousand or +11.1%), and other income decreased from EUR 101 to EUR 63 thousand (EUR -37 thousand or -37.1%).

In the first three quarters of 2023, The Group's total operating expenses were lower by EUR -55 thousand (-2.1%) than in the first three quarters of 2022 and amounted to EUR 2,628 thousand (1-3Q 2022: EUR 2,683 thousand). The Group managed to partially mitigate the increased expenses caused by inflation and indexed contracts through quality costs control:

- staff costs amount to EUR 1,223 thousand, which is a decrease of EUR -92 thousand or -7% (1-3Q 2022: EUR 1,316 thousand),
- material costs amount to EUR 799 thousand, which is a decrease of EUR -5.8 thousand or -0.7% (1-3Q 2022: EUR 804 thousand),
- other costs amount to EUR 364 thousand, which is an increase of EUR +21 thousand or +6.3% (1-3Q 2022: EUR 342 thousand),
- depreciation amounts to EUR 229 thousand, which is an increase of EUR +17 thousand or +8.4% (1-3Q 2022: EUR 211 thousand),
- other operating expenses amount to EUR 11 thousand, which is an increase of EUR +6 thousand (1-3Q 2022: EUR 5.3 thousand).

In the third quarter of 2023 alone, operating expenses amount to EUR 833 thousand, which is a decrease of EUR -38 thousand or -4.4% compared to the same period last year (3Q 2022: EUR 872 thousand). On the third quarter-level, nearly all expenses reduced when compared to the same period last year, while the biggest increase was recorded in other external costs, which amounted to EUR 233 thousand in the third quarter of 2022, and EUR 247 thousand in the same period of the current year (EUR +14 thousand or +6.2%). In addition, depreciation increased from EUR 70 to EUR 76 thousand (EUR +5 thousand or +7.4%). Staff costs reduced from EUR 411 thousand in the third quarter of 2022 to EUR 389 thousand in the third quarter of 2023 (EUR -21 thousand or -5.2%).

The Group's Key Business Indicators

	EUR	1-3Q 2022	1-3Q 2023	change	3Q 2022	3Q 2023	change
Capital and reserves		5,854,882	5,865,108	0.2%	5,854,882	5,865,108	0.2%
Total assets		7,199,084	7,167,916	-0.4%	7,199,084	7,167,916	-0.4%
Operating income		2,805,952	2,601,138	-7.3%	882,903	888,165	0.6%
<i>sales revenue</i>		1,911,765	1,703,013	-10.9%	587,394	608,684	3.6%
<i>other operating income</i>		894,187	898,125	0.4%	295,509	279,481	-5.4%
Operating expenses		2,683,950	2,628,475	-2.1%	872,294	833,592	-4.4%
<i>material costs</i>		804,819	799,004	-0.7%	272,430	260,277	-4.5%
<i>staff costs</i>		1,316,606	1,223,932	-7.0%	411,095	389,868	-5.2%
<i>depreciation and amortization</i>		211,763	229,476	8.4%	70,926	76,153	7.4%
<i>other costs</i>		342,778	364,492	6.3%	120,271	103,914	-13.6%
EBIT		122,002	-27,337	-122.4%	10,609	54,573	414.4%
EBITDA		333,765	202,139	-39.4%	81,535	130,726	60.3%
Financial income		22,343	67,050	200.1%	14,975	45,042	200.8%
Financial expenses		113,980	8,513	-92.5%	23,611	2,820	-88.1%
Share in profit/loss of associates and subsidiaries		-5,285	2,099	139.7%	-7,411	8,117	209.5%
Pre-tax profit or loss		25,080	33,299	32.8%	-5,438	104,912	2029.2%
Income tax		17,660	3,869	-78.1%	-2,376	4,525	290.4%
Profit or loss for the period		7,420	29,430	296.6%	-3,062	100,387	3378.5%
Other comprehensive income		73,403	47	-99.9%	14,268	28	-99.8%
Total comprehensive income		80,823	29,477	-63.5%	11,206	100,415	796.1%
Number of employees		39	38	-2.6%	39	38	-2.6%

The Group's operating profit in the first three quarters of 2023 amounted to EUR 33 thousand, while in the same period last year the Group reported operating profit in the amount of EUR 25 thousand (EUR +8.2 thousand or 32.8%). At the level of the third quarter, the Group reports an operating profit in the amount of EUR 104 thousand, while the operating loss in the same period last year amounted to EUR -5 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 2023, financial income amounted to EUR 67 thousand (EUR +44 thousand or +200%), while financial income in the third quarter accounted for EUR 45 thousand (EUR +30 thousand). In the first three quarters of this year, financial expenses amount to EUR 8.5 thousand (EUR -105 thousand or -92.5%), while in the third quarter alone they are lower by EUR -20 thousand and amount to EUR 2.8 thousand.

The Group's net profit in the first nine months of 2023 amounts to EUR 29.4 thousand which is EUR +22 thousand more than in the same period of 2022 when the Group's net profit amounted to EUR 7

thousand. The Group's total comprehensive income for the first three quarters of 2023 amounts to EUR 29 thousand (a decrease of EUR -51 thousand or -63.5% compared to EUR 80 thousand in the first three quarters of 2022).

Operating profit before interest, taxes, depreciation and amortization is positive and in the first three quarters of 2023 amounts to EUR 202 thousand, i.e., EUR -131 thousand less than in the first three quarters of 2022, while in the third quarter of 2023 it amounts to EUR 130 thousand, i.e., EUR +49 thousand more than in the same period last year.

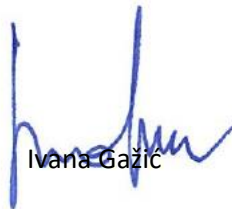
2 DECLARATION OF RESPONSIBILITY FOR THE PREPARATION OF FINANCIAL STATEMENTS

Financial statements of the Group prepared for the period between 1/1/2023 and 30/9/2023 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 1/1/2023 and 30/9/2023 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 2023 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 2023 have not been audited.



Ivana Gažić

President of the Management Board



ZAGREBAČKA BURZA d.d.
Zagreb



Tomislav Gračan

Member of the Management Board

Contact

Zagreb Stock Exchange, Inc.
Ivana Lučića 2a/22
10000 Zagreb
Croatia

Phone number: +385/ 1 4686 806
E-mail: ir@zse.hr

Consolidated unaudited financial statements of the Group for
1/1/2023 – 30/9/2023

Annex 1

ISSUER'S GENERAL DATA

Reporting period: 1.1.2023 to 30.9.2023

Year: 2023

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: Ulica Ivana Lučića 2a/22

E-mail address: sandra.semuga@zse.hr

Web address: www.zse.hr

Number of employees (end of the reporting): 38

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: Lucija Tropčić Kovaček
(only name and surname of the contact person)

Telephone: 01/4699-555

E-mail address: lucija.tropcic@sigmabc.eu

Audit firm:
(name of the audit firm)

Certified auditor:
(name and surname)

BALANCE SHEET			
balance as at 30.9.2023			
in EUR			
Submitter: Zagreb Stock Exchange Inc.			
Item	ADP code	Last day of the preceding	At the reporting date of the
1	2	3	4
ASSETS			
FIXED ASSETS 002+003+009+013	1	3.405.908	3.233.132
I INTANGIBLE ASSETS	2	495.494	467.610
II TANGIBLE ASSETS 004+...+008	3	1.547.963	1.388.349
1 Land and buildings	4	1.152.922	1.050.224
2 Computer equipment	5	172.554	139.413
3 Other tangible assets	6	198.794	180.124
4 Leasehold improvements	7	23.693	18.588
5 Assets under construction	8	0	0
III FIXED FINANCIAL ASSETS 010+011+012	9	1.325.605	1.340.230
1 Investments in associates, subsidiaries and joint ventures	10	1.237.395	1.240.739
2 Financial assets at amortised cost	11	62.047	60.547
3 Financial assets at fair value through other comprehensive income	12	26.163	38.944
DEFERRED TAX ASSETS	13	36.846	36.943
B CURRENT ASSETS 015+021+025	14	3689444	3760579
I RECEIVABLES 016+...+020	15	467.054	337.536
1 Customer receivables	16	367.904	224.531
2 Receivables from employees and members of the undertaking	17	35	1.290
3 Receivables from government and other institutions	18	17.062	24.335
4 Receivables from connected undertakings	19	0	0
5 Other receivables	20	82.053	87.380
III SHORT-TERM FINANCIAL ASSETS 022+...+024	21	1.399.917	3.042.304
1 Financial assets at amortised cost	22	208.519	1.419.749
2 Financial assets at fair value through other comprehensive income	23	0	0
3 Financial assets at fair value through statement of profit or loss	24	1.191.398	1.622.555
III CASH AND CASH EQUIVALENTS	25	1.822.473	380.739
C PREPAID EXPENSES AND ACCRUED INCOME	26	103.732	174.205
D TOTAL ASSETS 001+014+026	27	7.199.084	7.167.916
E OFF-BALANCE SHEET ITEMS	28	0	0
LIABILITIES			
A CAPITAL AND RESERVES 030+031+032+037+...+041	29	5.854.882	5.865.108
I INITIAL CAPITAL	30	3.076.316	3.076.315
II CAPITAL RESERVES	31	1.839.562	1.840.833
III PROFIT RESERVES 033+...+036	32	882.442	870.368
1 Legal reserves	33	18.714	18.714
2 Reserves for treasury shares	34	-18.409	-30.483
3 Fair value reserves	35	70.169	70.169
4 Other reserves	36	811.968	811.968
IV REVALUATION RESERVES	37	101.095	101.095
V RESERVES FROM EXCHANGE RATE DIFFERENCES FROM THE TRANSLATION OF FOREIGN OPERATIONS	38	-22.181	-22.134
VI RETAINED PROFIT OR LOSS BROUGHT FORWARD	39	-107.857	-30.799
VII PROFIT OR LOSS FOR THE YEAR	40	85.505	29.430
VIII MINORITY INTEREST	41	0	0
B PROVISIONS	42	36.308	36.308
C SHORT-TERM LIABILITIES 044+...049	43	408.143	284.221
1 Liabilities for advance payments	44	1.678	7.359
2 Liabilities to suppliers	45	115.287	63.197
3 Liabilities to employees	46	105.130	97.226
4 Taxes, contributions and similar liabilities	47	50.640	53.966
5 Liabilities to connected undertakings	48	263	0
6 Other short-term liabilities	49	135.145	62.473
D LONG-TERM LIABILITIES	50	251.402	251.402
E DEFERRED TAX LIABILITY	51	19.189	19.189
F ACCRUALS AND DEFERRED INCOME	52	629.160	711.688
G TOTAL LIABILITIES 029+042+043+050+051+052	53	7.199.084	7.167.916
H OFF-BALANCE SHEET ITEMS	54	0	0
Appendix to the balance sheet (position for consolidated financial statements)			
I Capital and reserves 056+057	55	5.854.882	5.865.108
1 Attributable to owners of the parent	56	5.854.882	5.865.108
2 Attributable to non-controlling interest	57	0	0

STATEMENT OF PROFIT OR LOSS

For the period 1.1.2023 to 30.9.2023

in EUR

Submitter: Zagreb Stock Echange Inc.

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
A OPERATING INCOME 002+008	1	2.805.952	882.903	2.601.138	888.165
I Sales revenue 003+...+007	2	1.911.765	587.394	1.703.013	608.684
1 Commissions and membership fees	3	911.559	239.415	761.163	292.486
2 Listing maintenance fees	4	792.626	272.533	815.874	281.039
3 Quotation fees	5	207.580	75.446	125.976	35.159
4 Income from auctions	6	0	0	0	0
5 Income from memberships	7	0	0	0	0
II Other operating income 009+...+011	8	894.187	295.509	898.125	279.481
1 Income from application programming interface (API) services	9	0	0	0	0
2 Income from the supply of information	10	588.480	194.228	648.440	215.759
3 Other income	11	305.707	101.281	249.685	63.722
B OPERATING EXPENSES 013+016+020+021+022+025+026	12	2.683.950	872.294	2.628.475	833.592
I Material costs 014+015	13	804.819	272.430	799.004	260.277
1 Costs of raw materials	14	60.159	39.422	30.007	12.775
2 Other external costs	15	744.660	233.008	768.997	247.502
II Staff costs 017+...+019	16	1.316.606	411.095	1.223.932	389.868
1 Net salaries and wages	17	927.155	287.202	846.707	282.683
2 Tax and contributions from salary costs	18	289.163	91.657	277.615	75.089
3 Payroll contributions	19	100.288	32.236	99.610	32.096
III Depreciation	20	211.763	70.926	229.476	76.153
IV Other costs	21	342.778	120.271	364.492	103.914
V Value adjustment 023+024	22	2.655	-3.984	0	0
1 fixed assets (other than financial assets)	23	0	0	0	0
2 current assets (other than financial assets)	24	2.655	-3.984	0	0
VI Provisions	25	0	0	0	0
VII Other operating expenses	26	5.329	1.556	11.571	3.380
C FINANCIAL INCOME 028+...+033	27	22.343	14.975	67.050	45.042
1 Interest, exchange rate differences, dividends and similar income from relations with connected undertakings	28	13.507	13.484	62	62
2 Interest, exchange rate differences, dividends and similar income from relations with non-connected undertakings and other persons	29	8.488	1.459	49.900	38.285
3 Income share from associates and participating interests	30	0	0	0	0
4 Unrealised gains (income) from financial assets	31	0	0	11.580	6.648
5 Profit from reversal of provisions for impairment for expected credit losses	32	0	0	0	0
6 Other financial income	33	348	32	5.508	47
D FINANCIAL EXPENSES 035+...+039	34	113.980	23.611	8.513	2.820
1 Interest, exchange rate differences and other expenditures with connected undertakings	35	583	202	481	152
2 Interest, exchange rate differences and other expenditure from relations with non-connected undertakings and other persons	36	19.268	5.247	8.032	2.668
3 Unrealised losses (expenses) from financial assets	37	94.129	18.162	0	0
4 Loss allowance for expected credit losses	38	0	0	0	0
5 Other financial expenses	39	0	0	0	0
E TOTAL INCOME 001+027	40	2.828.295	897.878	2.668.188	933.207
F TOTAL EXPENDITURE 012+034	41	2.797.930	895.905	2.636.988	836.412
G Share in profit/loss of associates and subsidiaries	42	-5.285	-7.411	2.099	8.117
H PRE-TAX PROFIT OR LOSS 040-041+042	43	25.080	-5.438	33.299	104.912
I INCOME TAX	44	17.660	-2.376	3.869	4.525
J PROFIT OR LOSS FOR THE PERIOD 043-044	45	7.420	-3.062	29.430	100.387
1 Change in revaluation reserves (property, plant, equipment and intangible assets)	46	0	0	0	0
2 Actuarial gains/losses on defined benefit pension plans	47	0	0	0	0
3 Unrealised gains/losses on financial assets at fair value through other comprehensive income	48	0	0	0	0
4 Gains/losses on hedging instruments in a cash flow hedge	49	70.196	951	0	0
5 Gains/losses arising from translation of financial statements relating to foreign operations	50	3.207	-336	47	28
6 Income tax on other comprehensive income	51	0	-13.653	0	0
K OTHER COMPREHENSIVE INCOME 046+...+051	52	73.403	14.268	47	28
TOTAL COMPREHENSIVE INCOME 045+052	53	80.823	11.206	29.477	100.415
M RECLASSIFICATION ADJUSTMENTS	54	0	0	0	0
Appendix **					
Attributable to owners of the parent	55	80.823	11.206	29.477	100.415
Attributable to non-controlling interest	56	0	0	0	0

STATEMENT OF CASH FLOWS - indirect method			
for the period 1.1.2023 to 30.9.2023			
			in EUR
Submitter: Zagreb Stock Exchange Inc.			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1 Pre-tax profit	1	25.080	33.299
2 Depreciation	2	211.763	229.476
3 Increase in short-term liabilities	3	0	0
4 Decrease in short-term receivables	4	144.530	129.517
5 Decrease in inventories	5	0	0
6 Loss on impairment for expected credit losses	6	0	0
7 Other cash flow increase	7	98.755	6.364
I Total cash flow increase from operating activities 001+...+007	8	480.128	398.656
1 Decrease in short-term liabilities	9	17.509	51.341
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	64.017	72.177
II Total cash flow decrease from operating activities 009+...+013	14	81.526	123.518
CASH FLOW FROM INVESTMENT ACTIVITIES			
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	17.271
4 Dividends received	18	0	32.593
5 Other cash receipts from investment activities	19	737.931	80.000
III Total cash receipts from investment activities 015+...+019	20	737.931	129.864
1 Cash payments for the purchase of fixed tangible and intangible	21	294.801	41.972
2 Cash payments for the acquisition of equity financial	22	958.195	30.036
3 Other cash payments from investment activities	23	32.941	1.705.398
IV Total cash payments from investment activities 021+...+023	24	1.285.937	1.777.406
CASH FLOW FROM FINANCING ACTIVITIES			
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
V Total cash receipts from financing activities 025+...+027	28	0	0
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	78.075	69.330
VI Total cash payments from financing activities 029+...+033	34	78.075	69.330
VII Cash and cash equivalents at the beginning of period	35	1.541.476	1.822.473
VIII Increase of cash and cash equivalents	36	0	0
IX Decrease of cash and cash equivalents	37	227.479	1.441.734
X Cash and cash equivalents at the end of period	38	1.313.997	380.739

STATEMENT OF CHANGES IN EQUITY												
for the period from 1.1.2023 to 30.9.2023												
in EUR												
Item	ADP	Attributable to owners of the parent									Attributable to non-controlling interests	Total capital and reserves
		Subscribed capital	Capital reserves	Legal reserves and reserves for treasury shares	Fair value reserves	Other reserves	Revaluation reserves	Reserves from exchange rate differences from the translation of foreign operations	Retained profit or loss brought forward	Profit or loss for the year		
1	2	3	4	5	6	7	8	9	10	11	12	13
Balance as at 1 January of the	1	6.164.128	1.843.000	18.749	0	-1.914	125.832	-29.255	-2.420.979	48.342	0	5.747.903
Change in accounting policies	2	0	0	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	0	0
As at 1 January of the previous year (restated)	4	6.164.128	1.843.000	18.749	0	-1.914	125.832	-29.255	-2.420.979	48.342	0	5.747.903
Profit or loss for the period	5	0	0	0	0	0	0	0	0	85.538	0	85.538
Unrealised gains or losses on financial assets at fair value through other comprehensive income	6	0	0	0	70.196	0	0	0	0	0	0	70.196
Other changes in equity unrelated to	7	0	0	0	0	-2.204	-24.147	7.611	0	0	0	-18.740
Total directly recognised income and expenses of the previous year (previous year periods)	8	0	0	0	70.196	-2.204	-24.147	7.611	0	85.538	0	136.994
Increase/decrease in subscribed	9	-3.076.316	0	0	0	815.960	0	0	2.260.355	0	0	-1
Other contributions by owners	10	0	0	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	0	0
Other distribution to owners	12	0	0	-18.409	0	-82	0	-11.523	48.252	-48.252	0	-30.014
Balance on the last day of the	13	3.087.812	1.843.000	340	70.196	811.760	101.685	-33.167	-112.372	85.628	0	5.854.882
As at 1 January of the current year	14	3.087.812	1.843.000	340	70.196	811.760	101.685	-33.167	-112.372	85.628	0	5.854.882
Change in accounting policies	15	-11.496	-3.438	-35	-27	208	-590	10.986	4.515	-123	0	0
Correction of errors from prior periods	16	0	0	0	0	0	0	0	0	0	0	0
As at 1 January	17	3.076.316	1.839.562	305	70.169	811.968	101.095	-22.181	-107.857	85.505	0	5.854.882
Profit or loss for the period	18	0	0	0	0	0	0	0	0	29.430	0	29.430
Unrealised gains or losses on financial assets at fair value through other comprehensive income	19	0	0	0	0	0	0	0	0	0	0	0
Other changes in equity unrelated to owners	20	0	0	0	0	0	0	47	0	0	0	47
Total directly recognised income	21	0	0	0	0	0	0	47	0	29.430	0	29.477
Increase/decrease in subscribed	22	-1	1	0	0	0	0	0	0	0	0	0
Other contributions by owners	23	0	0	0	0	0	0	0	0	0	0	0
Payment of share in profit/dividend	24	0	1.270	5.182	0	0	0	0	-8.447	0	0	-1.995
Other distribution to owners	25	0	0	-17.256	0	0	0	0	85.505	-85.505	0	-17.256
Balance on the last day of the	26	3.076.315	1.840.833	-11.769	70.169	811.968	101.095	-22.134	-30.799	29.430	0	5.865.108

NOTES TO FINANCIAL STATEMENTS – TFI
(drawn up for quarterly reporting periods)

Name of issuer: Zagrebačka burza d.d.

Personal identification number (OIB): 84368186611

Reporting period: 1.1.2023-30.9.2023

Type of report: Consolidated

1. Reporting entity

Zagreb Stock Exchange Inc. (“the Company”) is a joint stock company domiciled in 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 through comprehensive income which are measured at fair value and land and buildings which are measured at fair value.

Detailed information on the basis of preparation of the financial statements are provided in Note 2 to the consolidated financial statements presented in the Annual Report on Group Status and Business Activities in 2022 available on the internet page www.zse.hr (further: the Group’s Annual Report).

Significant accounting policies

Financial statements for the reporting period are prepared applying the same accounting policies presented in the consolidated financial statements for 2022 available on the internet page www.zse.hr.

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

Additional information required by IFRSs that are not presented 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 Consolidated unaudited financial result for the period from 1 January to 30 September 2023 as published on the internet page www.zse.hr.

Change of functional currency

Based on the Decision of the Government of the Republic of Croatia regarding the announcement of the introduction of the euro as the official currency in the Republic of Croatia (Official Gazette 85/22), the euro becomes the official monetary unit and legal tender in the Republic of Croatia on 1 January 2023. The fixed conversion rate is set at HRK 7.53450 for one euro.

The introduction of the euro as the official currency in the Republic of Croatia represents a change in the functional currency that is calculated prospectively.

Accounting treatment of a change in functional currency is prescribed by IAS 21 § 37, stating that all items, as of the date of the change (1 January 2023), shall be translated to the new functional currency using the exchange rate at the date of the change. The resulting translated amounts for non monetary items are treated as new historical cost.

Impact of change in functional currency on comparative data

A change in functional currency on comparative data represents a change in accounting policy. Accordingly, comparative data in kuna are converted into euro using historical exchange rates for the euro. The balance sheet positions are converted into euro using the final, fixed conversion rate of HRK 7.5345 per 1 euro, while the positions of the statement of comprehensive income, cash flow and capital movements are converted using the middle exchange rate of the Croatian National Bank for 1 euro for the year 2022 which represents an approximation of the historical exchange rates of the euro in 2022, which amounts to HRK 7.53159 for 1 euro.

IAS 21 does not prescribe how capital positions shall be converted into the new functional currency. The company has chosen to apply a fixed conversion rate. As a result, in other comprehensive income for 2022 the amount of HRK 12 thousand is reported as a result of adjusting the movement of capital positions according to the exchange rate on the date of the transaction and the fixed conversion rate according to which the capital positions are converted from HRK to EUR on 1 January 2023.

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 balance sheet as of 30 September 2023, nor has issued securities.

4. Amount of advance payments and loans granted to the members of administrative, management and supervisory bodies

The Group did not give advances or approved loans to members of administrative, management and supervisory bodies during 2023.

5. 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 Notes to the financial statements in the Consolidated result for the quarter (www.zse.hr).

6. Liabilities falling due after more than five years, as well as debts covered by valuable security provided by the Group

As of 30 September 2023, the Group has liabilities falling due after more than five years in the amount of EUR 5,707.08.

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

7. Average number of employees during the reporting period

The average number of the employees during the reporting period of 2023 is 38.

8. Capitalized costs of salaries during the reporting period

The Group did not capitalize the cost of salaries during the reporting period.

9. Deferred taxes

Provisions for deferred taxes, balance of deferred taxes at the beginning and the end of the reporting period, as well as movement of those positions during the reporting period:

	1.1.2023	Increase	Decrease	30.9.2023
	eur'000	eur'000	eur'000	eur'000
Deferred tax assets	37	-	-	37
Deferred tax liabilities	(19)	-	-	(19)
	18	-	-	18

10. 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

Information on investments in companies in which the Group holds a participating share in the capital are presented in Note 1 and Note 13 "Investments in associates and joint ventures" (GFI: "Investments in associates, subsidiaries and joint ventures"). In April 2023 the Company acquired 24% of the share of new established company Adria Digital Exchange d.o.o., Croatia at nominal value of 1,200.00 EUR. There were no other changes in participating interests during the reporting period.

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

By the Decision of the General Assembly dated 12 June 2023, 2,317,850 ordinary registered shares, each with a par value of HRK 10.00 and a total par value of HRK 23,178,500.00 are exchanged for shares with no par value for the purpose of aligning the share capital with the provisions of Article 21 of the Act of Amending the Companies Act (Official Gazette NN No 114/22). The existing rights attached to the status of the Company's shareholders under the Act and Company's Statute remained unchanged.

12. 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.

13. Name, registered office and legal form of each of the companies in which the issuer has unlimited liability

The Group has no shares in companies having unlimited liability.

14. Name and registered office of the company which draws up consolidated financial statements for the reporting period 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 consolidated financial statements that are available for use on the internet page www.zse.hr.

15. Name and registered office of the company which draws up 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.

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

The Company prepares consolidated financial statements that are available for use on the internet page www.zse.hr.

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 the balance sheet

There were no events after the balance sheet date that would affect the financial statements for the reporting period.

Recapitulation of the comparison of the TFI-POD balance sheet and the balance sheet prepared according to IFRS for the third quarter of 2023

Balance sheet item (IFRS)	Amount (EUR)	Balance sheet item (TFI)	AOP	Amount (EUR)
ASSETS				
Non-current assets	3.233.132	A. FIXED ASSETS	1	3.233.132
	467.610	I Intangible assets	2	467.610
Intangible assets	310.175	I INATANGIBLE ASSETS	2	467.610
Goodwill	157.435			
	467.610			467.610
	1.388.349	II Tangible assets	3	1.388.349
Property and equipment	1.110.175	1 Land and buildings	4	1.050.224
Right-of-use assets	278.174	2 Computer equipment	5	139.413
		3 Other tangible assets	6	180.124
		4 Leasehold improvements	7	18.588
	1.388.349			1.388.349
	1.340.230	III Long term financial assets		1.340.230
Investment in subsidiary		1 Investments in associates, subsidiaries and joint ventures	10	1.240.739
Investment in associate and joint venture	1.240.739			
	<i>1.240.739</i>			<i>1.240.739</i>
Long term deposits	33.166	2 Financial assets at amortised cost (long term)	12	60.547
Borrowings to associated company	27.381			
	<i>60.547</i>			<i>60.547</i>
Financial assets at fair value through other comprehensive income	38.944	3 Financial assets at fair value through other comprehensive income	11	38.944
	<i>38.944</i>			<i>38.944</i>
	1.340.230			1.340.230
Deferred tax assets	36.943	Deferred tax assets	13	36.943
CURRENT ASSETS				
CURRENT ASSETS	3.760.579	B CURRENT ASSETS	14	3.760.579
		I RECEIVABLES	15	337.536
Trade receivables and other assets	337.536	1 Trade receivables	16	224.531
		2 Receivables from employees and members of the undertaking	17	1.290

		3 Receivables from government and other institutions	18	24.335
		4 Receivables from connected undertakings	19	
		5 Other receivables	20	87.380
	337.536			337.536
	3.042.304	II SHORT-TERM FINANCIAL ASSETS	20	3.042.304
Short-term deposits	1.419.749	1 Financial assets at amortised cost	21	1.419.749
Financial assets at fair value through profit or loss	1.622.555	3 Financial assets at fair value through statement of profit or loss	23	1.622.555
	3.042.304			3.042.304
Cash and cash equivalents	380.739	III CASH AND CASH EQUIVALENTS	24	380.739
	174.205	C PREPAID EXPENSES AND ACCRUED INCOME	25	174.205
Deferred expenses	124.447	C PREPAID EXPENSES AND ACCRUED INCOME		174.205
Contract assets	49.758			
	174.205			174.205
TOTAL ASSETS	7.167.916	D TOTAL ASSETS	26	7.167.916
CAPITAL AND LIABILITIES				
Capital and reserves	5.865.108	A CAPITAL AND RESERVES	29	5.865.108
Issued share capital	3.076.315	I INITIAL CAPITAL	30	3.076.315
Share premium	1.840.833	II CAPITAL RESERVES	31	1.840.833
	949.329	III PROFIT RESERVES	32	870.368
Legal reserves	18.714	1 Legal reserves	33	18.714
Own shares	(30.483)	2 Reserves for own shares	34	(30.483)
Fer value reserves	70.169	3 Fair value reserves	35	70.169
Other reserves	815.878	4 Other reserves	36	811.968
Actuarial gains / losses	(3.910)			
	811.968			811.968
Revaluation reserves	101.095	IV REVALUATION RESERVES	37	101.095
		V RESERVES FROM EXCHANGE RATE DIFFERENCES FROM THE TRANSLATION OF FOREIGN OPERATIONS	38	
Translation reserves	(22.134)			(22.134)

Accumulated profit (loss)	(1.369)	IV Retained profit of loss brought forward	39	(30.799)
		V Profit or loss for the year	40	29.430
	(1.369)			(1.369)
	5.865.108			5.865.108
Long term liabilities	306.899	Long term liabilities and provisions	47	306.899
Employee benefits	12.703	B Provisions	42	36.308
Long term contract liabilities	23.605			
	36.308			36.308
Lease liabilities	251.402	D Long term liabilities	50	251.402
Deferred tax liabilities	19.189	E Deferred tax liabilities	51	19.189
	306.899			306.899
Short term liabilities	399.165	C SHORT TERM LIABILITIES	43	284.221
Trade and other payables	370.854	1 Advance payments received	44	7.359
Short term lease liabilities	24.345	2 Trade payables	45	63.197
Corporate income tax liability	3.966	3 Liabilities to employees	46	97.226
		4 Taxes, contributions and similar liabilities	47	53.966
		5 Liabilities to related undertakings	48	
		6 Other short-term liabilities	49	62.473
	399.165			284.221
Contract liabilities	596.744	F Accruals and deferred income	52	711.688
Contract liabilities	596.744			
Accrued expenses				
	596.744			711.688
Total equity and liabilities	7.167.916	Total equity and liabilities		7.167.916

Recapitulation of the comparison of consolidated TFI-POD profit and loss account and other comprehensive income prepared according to IFRS for the third quarter of 2023

P&L item (IFRS)	Amount (EUR)	P&L item (TFI)		Amount (EUR)
Operating revenues	2.601.138	A OPERATING INCOME	1	2.601.138
Sales revenue	1.703.013	I Sales revenue	2	1.703.013
Other operating income	898.125	II Other operating income	9	898.125
	2.601.138			2.601.138
Operating expenses	2.628.475	B OPERATING EXPENSES	13	2.628.475
Staff costs	1.315.076	II Staff costs	17	1.223.932
Other employee costs (GFI AOP 22)	(1.301.981)			
	13.095			1.223.932
	1.083.923			1.175.067
Other operating expenses	1.083.923	I Material costs	14	799.004
Expenses reported under Staff costs	1.301.981	IV Other costs	22	364.492
		V Value adjustment 024+025	23	
		VII Other operating expenses	27	11.571
	2.385.904			1.175.067
Depreciation and amortization	229.476	III Depreciation	21	229.476
Net finance income	58.537	Net finance income		58.537
Financial income	17.370	C FINANCIAL INCOME	28	67.050
Financial expense	(8.308)	D FINANCIAL EXPENSES	35	(8.513)
Dividend income	32.593			
Net gain (loss) from changes in fair value of financial assets through profit and loss	16.989			

Net foreign exchange gain (loss)	(107)		
Share in profit (loss) in joint venture and associates	2.099	G Share in profit/loss of associates and subsidiaries	2.099
	2.099		2.099
Profit before tax	33.299	H PRE-TAX PROFIT OR LOSS	44 33.299
Income tax	3.869	I INCOME TAX	45 3.869
Profit for the period	29.430	J PROFIT OR LOSS FOR THE PERIOD	46 29.430
Total other comprehensive profit	47	K OTHER COMPREHENSIVE INCOME	53 47
Total comprehensive profit for the year	29.477	L TOTAL COMPREHENSIVE INCOME	54 29.477