



ZAGREBAČKA
BURZA

Zagreb Stock Exchange

Zagreb Stock Exchange, Inc.

Unconsolidated unaudited financial results for

1/1/2021 – 31/12/2021

23 February 2022

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1 INTERIM MANAGEMENT REPORT FOR THE PERIOD BETWEEN 1/1/2021 AND 31/12/2021

1.1 Significant business events of the Zagreb Stock Exchange, Inc. in the period between 1/1/2021 and 31/12/2021

In 2021, the Zagreb Stock Exchange, Inc. (hereinafter: the Company or the Exchange) recorded the following significant business events:

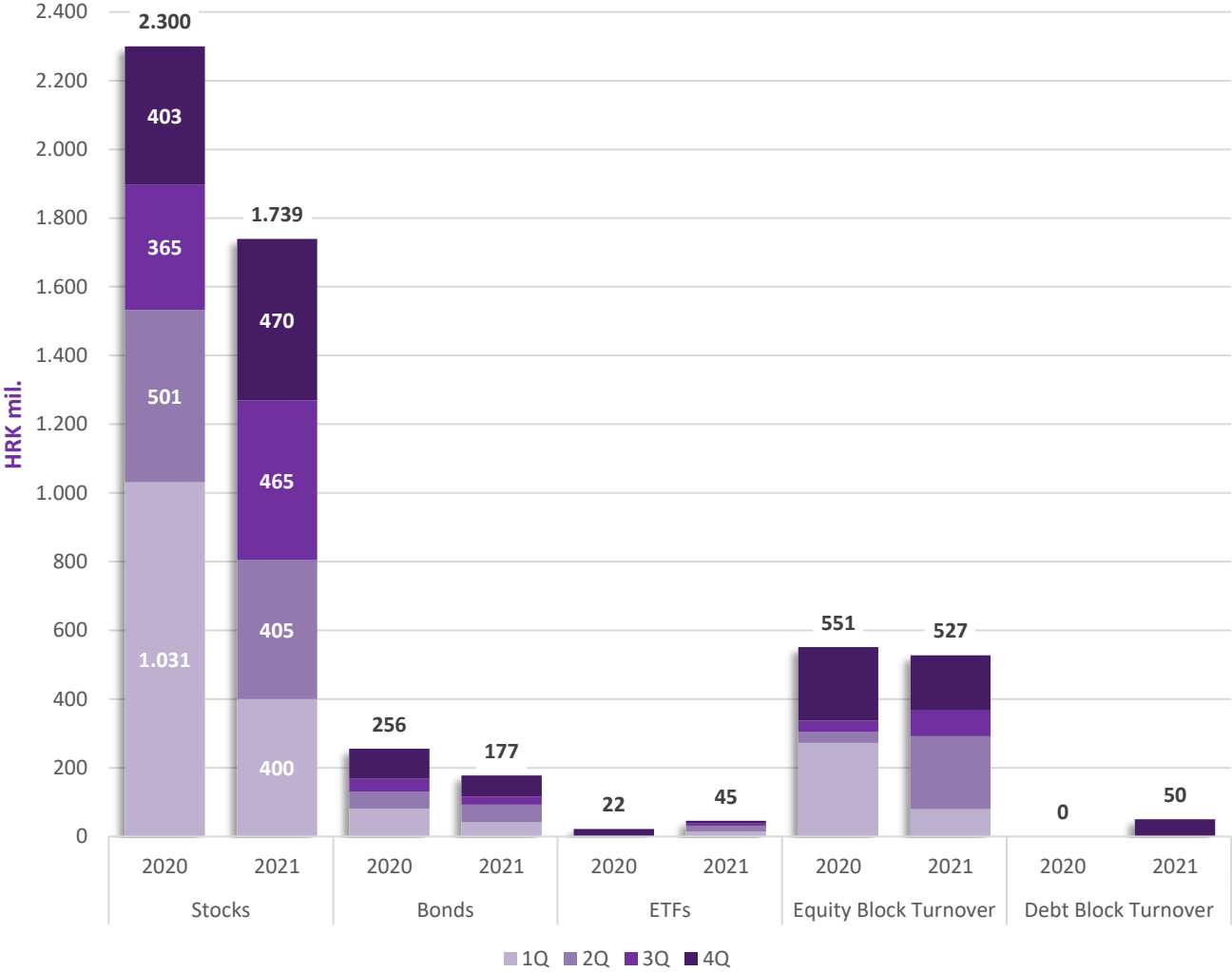
- On March 2, 2021, the Exchange launched a new project on its YouTube channel called "ZSE Stock Talk" conceived as a new communication channel to the general population on economic and financial topics. The first series of videos had the theme of macroeconomic forecasts for 2021.
- On March 8, 2021, in cooperation with the Croatian Employers' Association, the Exchange organized the event "Ring for Gender Equality" to mark International Women's Day by opening a 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 16, 2021, the Exchange received from the Securities Commission of the Republic of Northern Macedonia (Komisijata za hartii od vrednost na Republika Severna Makedonija) a decision approving the transfer above the threshold of 10% ownership stake in Makedonska berza AD Skopje, i.e., for the acquisition of shares of the Macedonian Stock Exchange whose total cumulative amount does not exceed 20% of the total issued voting shares.
- On March 24, 2021, the Exchange joined the United Nations Sustainable Stock Exchanges (SSE) initiative to promote sustainability and transparency in capital markets. The Exchange will engage in peer-to-peer dialogue to explore how exchanges can work together with investors, regulators, and companies, to encourage sustainable investment, while also enhancing corporate transparency and performance in respect to environmental, social and corporate governance issues, in line with the SEE initiative goals.
- In the period from 27 to 28 May 2021, the Croatian and Slovenian Investor Days - CEE Investment Opportunities were held. For the first time, Slovenian and Croatian companies were joined by companies listed on the Macedonian Stock Exchange. The event was conducted through the GoToWebinar platform, and was attended by about thirty panelists and 120 participants, and in addition to presentations by publishers, presentations of the Croatian, Slovenian and Macedonian capital markets were held.
- On June 11, 2021, the 12th annual education for issuers was held, co-organized by HANFA, the CDCC and the Zagreb Stock Exchange. The education gathered more than a hundred representatives of companies listed on the Zagreb Stock Exchange.

- On June 28, 2021, a new version of the Xetra T7 9.1 trading system was released into production.
- On September 7, 2021, a supervisory audit of the ISO 9001: 2015 quality management system of the Zagreb Stock Exchange was conducted. The supervisory audit was successfully completed and it was concluded that the quality management system of the Exchange is in accordance with the requirements of the ISO 9001: 2015 standard.
- On 9 and 10 September 2021, the investment conference "Prime plus" of the Zagreb Stock Exchange was held at which investors were introduced to all issuers listed on the Leading Market and three issuers listed on the Official Market of the Zagreb Stock Exchange. As part of this conference, the Zagreb Stock Exchange also presented itself as an issuer.
- From October 20 to 22, 2021, the Conference "Challenge of Change" was held in Rovinj, organized by the Zagreb Stock Exchange and the Association of Pension Fund Management Companies and Pension Insurance Companies.
- On December 15, 2021, the Zagreb Stock Exchange Awards were presented. In 2012, the Zagreb Stock Exchange established the Zagreb Stock Exchange Awards with the aim of strengthening the visibility of the capital market and its active participants among the financial and general public. The event also celebrated the 30th anniversary of the Zagreb Stock Exchange, which screened a film about the Zagreb Stock Exchange.
- In the fourth quarter of 2021 and during January 2022, three fundraising campaigns were successfully conducted on the Funderbeam platform, namely MOBILITY ONE, MIRET and INCLUDE.
- In 2021, six bonds (ERSTE & STEIERMARKISCHE BANK d.d., the City of Varaždin, Ministry of Finance of the Republic of Croatia, M SAN Group d.d., INA d.d., HOK-OSIGURANJE d.d. and SAMOBORKA d.d.) and three shares (Villa Dubrovnik d.d., Primo Real Estate d.d. and SPAN d.d.) were listed, while companies Modra špilja d.d., Meritus ulaganja d.d., MEDORA HOTELI I LJETOVALIŠTA d.d. and VARTEKS d.d. carried out an increase in share capital.
- In the period from 1 January to 31 December 2021, one bond (Ministry of Finance of the Republic of Croatia) and nine shares (KARLOVAČKA BANKA d.d. - ordinary and preferred share, PIK d.d., DUKAT d.d., Privredna banka Zagreb d.d., Hoteli Živogošće d.d., Hoteli Jadran d.d., MAGMA d.d. and SPAČVA d.d.) were delisted.

1.2 Zagreb Stock Exchange overview

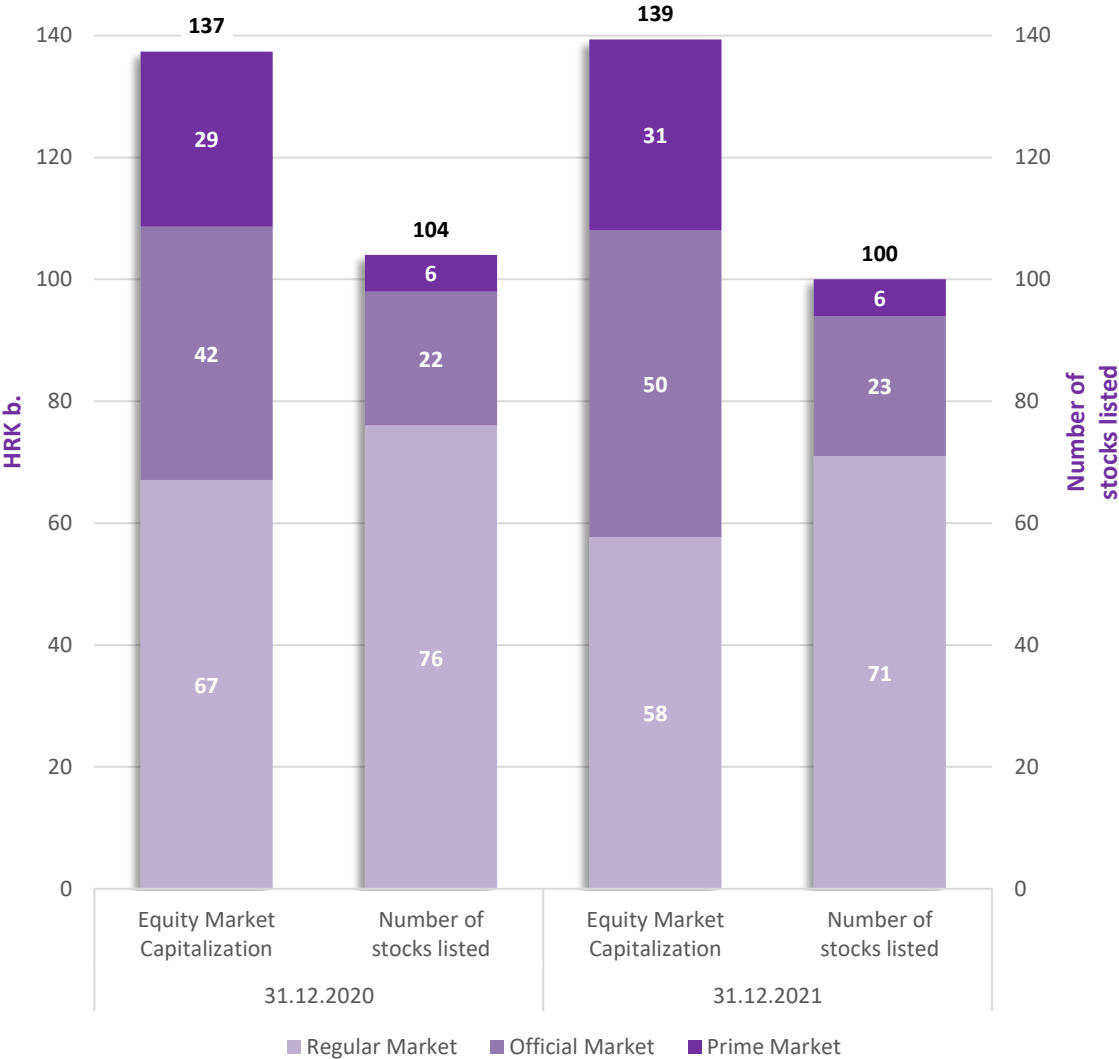
In 2021, the orderbook turnover amounted to HRK 1,962 million, -24% less than in 2020 which was marked by increased turnover in securities from the end of February to the beginning of May under the influence of Covid-19 in the Republic of Croatia. Of this amount, HRK 1,739 million relates to shares, HRK 177 million to bonds, while ETFs, which marked the anniversary in November 2021, had a significant turnover of HRK 45 million. The equity block turnover amounted to slightly more than HRK 527 million (2020: HRK 551 million), while the debt block turnover amounted to HRK 50 million in the fourth quarter alone (2020: no debt block turnover). If we compare the fourth with the previous quarters of 2021, we can see a continuous increase within the orderbook turnover (1Q: HRK 455 million, 2Q: HRK 474 million, 3Q: HRK 495 million, 4Q: HRK 538 million), while the largest equity block turnover was achieved in the second quarter (1Q: HRK 80 million, 2Q: HRK 212 million, 3Q: HRK 78 million, 4Q: HRK 158 million).

Securities turnover



Compared to the end of 2020, the market value measured by market capitalization as of 31 December 2021 is higher in almost all segments - it increased by HRK +3.5 billion or + 1% in total, with the market capitalization of the Prime Market higher by +9%, the Official Market by +21%, and the market capitalization of ETFs by +134%. These data point to a constant market recovery since May last year when the initial market shock caused by the emergence of the Covid-19 virus, which contributed to a large drop in market capitalization in the first quarter of 2020, began to weaken.

Equity Market Capitalization and number of stocks listed



Compared to 31 December 2020, at the end of 2021, a total of five shares were listed less on the Regular Market and one share more on the Official Market, while the number of shares listed on the Prime Market remained unchanged.

Zagreb Stock Exchange overview

	2020	2021	change
Securities turnover (HRK)			
Orderbook turnover	2.577.834.414	1.962.099.986	-23,89%
Stocks	2.300.273.793	1.739.474.734	-24,38%
Bonds	255.649.429	177.273.296	-30,66%
ETFs	21.911.192	45.351.955	106,98%
Equity Block Turnover	551.112.599	527.261.565	-4,33%
Debt Block Turnover	0	50.344.901	
TOTAL	3.128.947.013	2.539.706.451	-18,83%
Market Capitalization (HRK)			
Stocks	137.359.095.717	139.352.326.167	1,45%
Prime market	28.716.090.400	31.342.835.154	9,15%
Official market	41.567.941.436	50.325.878.835	21,07%
Regular market	67.075.063.881	57.683.612.178	-14,00%
Bonds	133.529.271.553	134.549.299.989	0,76%
ETFs	27.013.863	63.216.843	134,02%
TOTAL	270.915.381.134	273.964.842.999	1,13%
Number of securities listed			
Stocks	104	100	-3,85%
Prime market	6	6	0,00%
Official market	22	23	4,55%
Regular market	76	71	-6,58%
Bonds	26	29	11,54%
ETFs	2	2	0,00%
TOTAL	132	131	-0,76%

A comparison of data for 2021 with data from the year before shows a stable and positive trend among indices as well. Namely, after a sharp decline in the index's values since the end of February 2020, the index's values began to normalize and continued to grow continuously from May 2020. With the exception of CROBEXkonstrukt, which weakened -31.49%, all other equity indices rose in double digits compared to the closing value on 31 December 2020; most CROBEXnutris (+24%) and CROBEXtr, which includes dividend yield, as much as +22%, which is an excellent indicator of the return on investment that investors could achieve. The regional index ADRIAprime increased by a significant +32.22%, while the bond index CROBIStr rose slightly by +0.7%, and CROBIS fell by -1.6%.

Indices – value and turnover (2020 vs. 2021)

Index	31.12.2020	31.12.2021	Change	Turnover (HRK) 2020	Turnover (HRK) 2021	Change
CROBEX	1.739,29	2.079,35	19,55%	1.885.108.067	1.399.889.320	-25,74%
CROBEXtr	1.179,89	1.441,05	22,13%	1.885.108.067	1.399.889.320	-25,74%
CROBEX10	1.087,81	1.262,31	16,04%	1.579.203.982	1.099.034.169	-30,41%
CROBEX10tr	1.087,33	1.293,33	\	484.036.133	1.099.034.169	\
CROBEXprime	1.048,11	1.220,29	16,43%	771.279.606	749.544.419	-2,82%
CROBEXplus	1.104,30	1.230,38	11,42%	1.866.174.136	1.394.946.800	-25,25%
CROBEXindustrija	950,45	1.121,90	18,04%	324.532.518	225.404.583	-30,54%
CROBEXkonstrukt	698,94	478,85	-31,49%	96.873.815	54.113.520	-44,14%
CROBEXnutris	623,36	773,75	24,13%	286.638.338	303.885.082	6,02%
CROBEXtransport	\	809,49	\	\	162.758.728	
CROBEXturist	3.477,97	3.591,00	3,25%	434.896.393	244.945.580	-43,68%
CROBIS	112,36	110,56	-1,60%	25.040.891.148	5.600.804.076	-77,63%
CROBIStr	186,89	188,22	0,71%	25.040.891.148	5.600.804.076	-77,63%
ADRISprime	1.072,87	1.418,59	32,22%			

1.3 Expected future development of the Company

In 2022, the Company will continue to focus on restoring confidence and raising Corporate Governance standards and reporting on a regulated market. The Company will also focus on greater promotion of existing issuers, with a focus on Prime Market. The Company 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 Company 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 Company 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.

During the second half of 2019, the Company began migrating the Ljubljana Stock Exchange's downstream system to the Company's internally developed data warehouse system. Work on the full implementation of this system has also been carried over to the first part of 2020.

During 2020, the Exchange also developed and launched a completely new website of the Zagreb and Ljubljana Stock Exchanges.

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

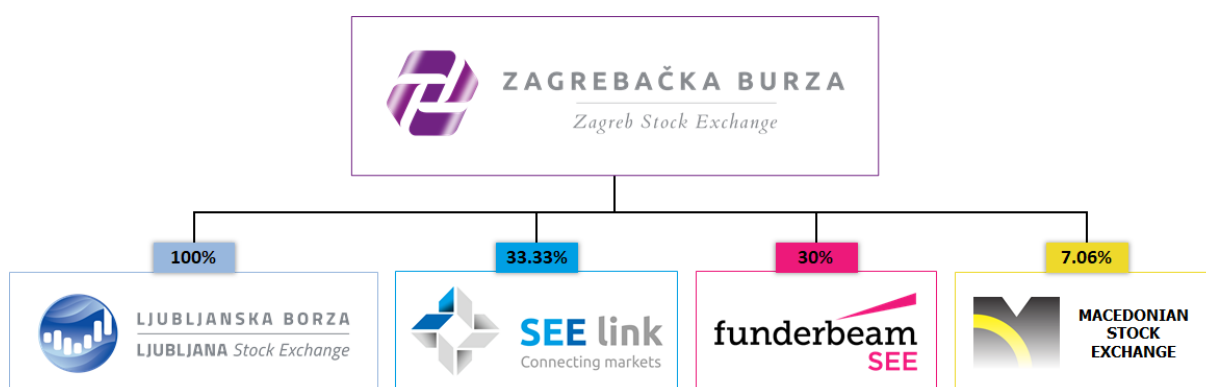
also participated in the CCP implementation project for the Republic of Croatia and successfully implemented new trading system releases and other infrastructure optimization activities.

1.5 Information on repurchase of own shares

As of December 31, 2021, the Company held no own shares.

The Company did not acquire own shares between 1 January 2021 and 31 December 2021.

1.6 Subsidiaries of the Company



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 October 19, 2021, the Zagreb Stock Exchange, Ltd. acquired an additional 49 shares, i.e. a share of 1.76% in the share capital of the Macedonian Stock Exchange Ltd., thus increasing its ownership stake to 7.06%.

1.7 Financial instruments used by the Company

The Company is fully funded by its own capital. The financial instruments the Company invests in are investment funds (money market and bond funds) and bank deposits.

1.8 Company's objectives and policies related to financial risk management

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

The Company manages risks, including financial risks, particularly through two mutually independent control functions: 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 Company's exposure to price risk, credit risk, liquidity risk and cash flow risk

The Company invests free funds in open-end money market and bond investment funds, as well as bank deposits. Its investments are carried at fair value. The Company mitigates the price risk by diversifying its portfolio of open-end investment funds it by investing in different types of funds managed by different fund management companies, and by investing in low-risk funds.

The Company has no loans received, rather its cash and financial assets exceed substantially the liabilities of the Company, and consequently, the Company's liquidity position is satisfactory.

1.10 Statement of transactions and transfers between the Company and its subsidiaries and shareholders

The Company confirms that in 2021 there were no transactions between the Company and its subsidiaries and shareholders in excess of EUR 100,000.

1.11 Statement of events which might have an adverse effect on Company operations

In 2021, uncertainty continued over the prevention measures taken to halt the spread and suppression of the COVID-19 pandemic. It is not possible to estimate the future duration of the pandemic, but the Company is actively monitoring the situation and will take all necessary measures to minimize potential negative impacts in the event of a worsening situation. With its infrastructure and working procedures, the Company is fully trained and ready to ensure business continuity so that trading can run smoothly. Infrastructure and work processes are adapted to work in crisis situations, employees are on standby, and tests related to working in such circumstances have been successfully conducted, thus ensuring continuous trading in securities throughout the trading day, without difficulties even in emergencies.

The long-term effect can also affect the company's operations in terms of difficult operations of our clients - issuers, as well as reducing the volume of trade due to possible uncertainties of investors

related to the impact of the crisis on the Croatian economy. Despite the aforementioned, at the date of issue of these financial statements, the Company continues to settle due to liabilities and, consequently, prepares financial statements under the assumption of indefinite operation.

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 significance to the Company's operations as to require disclosure in management.

1.12 Business results for 1/1/2021 – 31/12/2021

In 2021, the Company generated a total of HRK 14,467 thousand of operating revenues, which is HRK -303 thousand or -2% less than in the previous year when they amounted to HRK 14,770 thousand. Compared to 2020, sales revenues fell from HRK 10,171 to HRK 9,582 thousand, HRK -590 thousand or -5.8%. The decline in sales revenue is primarily the result of a decrease in commissions and membership fees, which, following the decline in turnover compared to the significantly increased turnover in securities from the end of February to mid-April 2020, reached HRK 3,566 thousand in 2021 (HRK -551 thousand or -13.4% less compared to 2020 when they amounted to HRK 4,117 thousand). However, it should be noted that only in the fourth quarter compared to the same period in 2020, income from commissions and membership fees increased by HRK +90 thousand or +9.9% and amounted to HRK 994 thousand (4Q 2020: 904 thousand), and other operating income increased by HRK +277 thousand or +18% and amounted to HRK 1,810 thousand (4Q 2020: HRK 1,533 thousand). Continuing on a slightly smaller number of newly listed securities than in the previous year, income from quotation maintenance in 2021 amounted to HRK 954 thousand, which is HRK -228 thousand or -19.3% less than in 2020. Within sales revenues, only revenues from listing maintenance fees increased to HRK 5,062 thousand (an increase of HRK +189 thousand or +3.8% compared to 2020, when they amounted to HRK 4,873 thousand). Compared to 2020, other operating revenues increased by HRK +287 thousand or +6.2%, i.e., from HRK 4,598 to HRK 4,885 thousand. This increase in other operating revenues is due to the growth of revenues from the sale of information (HRK +103 thousand or +4.2%) amounting to HRK 2,559 thousand and other revenues, which include revenues from education and revenues from the issuance and maintenance of LEI, which are increased by HRK +184 thousand or +8.6% and amounted to a significant HRK 2,326 thousand.

At the beginning of the coronavirus pandemic, i.e., in the first quarter of 2020, the Company began to record a decline in operating expenses primarily due to a changed working mode (working from home, the lack of business trips, live events, etc.). In 2021, operations were partially normalized, which is why the Company's total operating expenses increased by a significant HRK +721 thousand (+5.4%) compared to 2020 and amounted to HRK 14,147 thousand (2020: HRK 13,426 thousand). Items of operating expenses that decreased in 2021 compared to the previous year are the value adjustments of fixed and current assets amounting to HRK 82 thousand (HRK -204 thousand or -71.3%) and other operating expenses amounting to HRK 31 thousand (HRK -74 thousand or -70.6%). The largest increase was recorded in material costs amounting to HRK 4,220 thousand (HRK +734 thousand or +21%), within which consulting services costs (HRK +303 thousand), software maintenance costs (HRK +219 thousand), lawyer's costs (HRK +96 thousand) and audit costs (HRK +66 thousand) increased the most. Besides material costs, staff costs, which amounted to HRK 6,811 thousand (HRK +128 thousand or

+1.9%), other costs, which amounted to HRK 1,822 thousand (HRK +80 thousand or +4.6%), and depreciation, which amounted to HRK 1,183 thousand (HRK +56 thousand or +5%) also increased.

The Company's key business indicators

	HRK	2020	2021	change	4Q 2020	4Q 2021	change
Number of shares		4.635.700	4.635.700	0,00%	4.635.700	4.635.700	0,00%
Share capital		46.357.000	46.357.000	0,00%	46.357.000	46.357.000	0,00%
Capital and reserves		42.454.276	43.283.258	1,95%	42.454.276	43.283.258	1,95%
Total assets		47.935.939	51.377.810	7,18%	47.935.939	51.377.810	7,18%
Operating income		14.769.500	14.466.716	-2,05%	4.074.349	4.303.307	5,62%
<i>sales revenue</i>		10.171.384	9.581.722	-5,80%	2.541.493	2.493.668	-1,88%
<i>other operating income</i>		4.598.116	4.884.994	6,24%	1.532.856	1.809.639	18,06%
Operating expenses		13.426.548	14.147.469	5,37%	3.804.687	4.223.132	11,00%
<i>material costs</i>		3.485.259	4.219.751	21,07%	1.064.193	1.399.735	31,53%
<i>staff costs</i>		6.682.599	6.810.830	1,92%	1.557.511	1.722.894	10,62%
<i>depreciation and amortization</i>		1.126.853	1.182.749	4,96%	282.319	328.935	16,51%
<i>other costs</i>		2.131.837	1.934.139	-9,27%	900.664	771.568	-14,33%
EBIT		1.342.952	319.247	-76,23%	269.662	80.175	-70,27%
EBITDA		2.469.805	1.501.996	-39,19%	551.981	409.110	-25,88%
Financial income		571.296	1.028.750	80,07%	6.703	33.182	395,03%
Financial expenses		39.846	519.015	1202,55%	-245.195	140.072	-157,13%
Pre-tax profit or loss		1.874.402	828.982	-55,77%	521.560	-26.715	-105,12%
Income tax		0	0		0	0	
Profit or loss for the period		1.874.402	828.982	-55,77%	521.560	-26.715	-105,12%
Number of employees		24	26	8,33%	24	26	8,33%

The Company's operating profit in 2021 amounted to HRK 319 thousand, while the year before it amounted to HRK 1,343 thousand. At the fourth-quarter level, the Company recorded an operating profit in the amount of HRK 80 thousand, while operating profit in the same period in 2020 amounted to HRK 270 thousand. Financial revenues recorded significant growth at the year level, while at the fourth-quarter level this growth was slightly lower compared to the same period of 2020. In 2021, financial revenues amounted to HRK 1,029 thousand (HRK +457 thousand or +80%), while financial revenues in the fourth quarter alone accounted for HRK 33 thousand (HRK +26 thousand). Financial expenses in 2021 amounted to HRK 519 thousand (HRK +479 thousand), while in the fourth quarter alone they were higher by HRK +385 thousand and amounted to HRK 140 thousand (in 4Q 2020, due to the reduction of unrealized losses on financial assets, financial expenses were in the positive amount of HRK 245 thousand). Changes in the movement of financial income and expenses are primarily the result of the received dividend of the Ljubljana Stock Exchange in the amount of HRK 958 thousand and the yield of bond funds in which the Company has invested free funds.

Considering the above, the Company's net profit in 2021 amounts to HRK 829 thousand, which is HRK -1,045 thousand (-55.8%) less than in 2020, when the Company's net profit amounted to HRK 1,874 thousand. In the fourth quarter of 2021, the Company's net loss amounted to HRK -27 thousand, which is HRK -548 thousand less than HRK 521 thousand of net profit for the same period in 2020.

Operating profit before interest, taxes, depreciation and amortization is positive and in 2021 amounted to HRK 1,502 thousand, or HRK -968 thousand less than in 2020, while in the fourth quarter of 2021 it amounted to HRK 409 thousand, or HRK -143 thousand less than in the same period of 2020.

2 DECLARATION OF RESPONSIBILITY FOR THE PREPARATION OF FINANCIAL STATEMENTS

Financial statements of the Zagreb Stock Exchange, Inc. prepared for the period between 1/1/2021 and 31/12/2021 give a fair and true account of facts in accordance with the International Standards of Financial Reporting and the Croatian Accounting Act.

Unconsolidated financial statements for the period between 1/1/2021 and 31/12/2021 give an objective, complete and true statement of assets and liabilities, financial position and operations of the Company.

The management report for 2021 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 Company is exposed.

Unconsolidated financial statements for 2021 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

Unconsolidated unaudited financial statements of the
Company for 1/1/2021 – 31/12/2021

Annex 1

ISSUER'S GENERAL DATA

Reporting period:	1.1.2021	to	31.12.2021
Year:	2021		
Quarter:	4		

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):	26
Consolidated report:	KN (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:		

BALANCE SHEET			
balance as at 31.12.2021			
			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
ASSETS			
FIXED ASSETS 002+003+009+012	1	23.205.524	26.291.105
I INTANGIBLE ASSETS	2	971.458	918.751
II TANGIBLE ASSETS 004+...+008	3	1.064.272	4.202.560
1 Land and buildings	4	220.158	2.837.671
2 Computer equipment	5	674.695	742.389
3 Other tangible assets	6	6.249	179.851
4 Leasehold improvements	7	163.170	442.649
5 Assets under construction	8	0	0
III FIXED FINANCIAL ASSETS 010+011	9	21.169.794	21.169.794
1 Investments in associates, subsidiaries and joint ventures	10	19.400.367	19.400.367
2 Financial assets at amortised cost	11	1.769.427	1.769.427
DEFERRED TAX ASSETS	12	0	0
B CURRENT ASSETS 014+020+024	13	24.644.001	25.015.743
I RECEIVABLES 015+...+019	14	2.731.637	2.334.007
1 Trade receivables	15	1.967.444	1.722.654
2 Receivables from employees and members of the undertaking	16	622	524
3 Receivables from government and other institutions	17	4.767	8.284
4 Receivables from connected undertakings	18	199.668	5.638
5 Other receivables	19	559.136	596.907
III SHORT-TERM FINANCIAL ASSETS 021+...+023	20	20.274.296	19.368.591
1 Financial assets at amortised cost	21	2.500.031	4.889.304
2 Financial assets at fair value through other comprehensive	22	0	0
3 Financial assets at fair value through statement of profit or	23	17.774.265	14.479.287
III CASH AND CASH EQUIVALENTS	24	1.638.068	3.313.145
C PREPAID EXPENSES AND ACCRUED INCOME	25	86.414	70.962
D TOTAL ASSETS 001+013+025	26	47.935.939	51.377.810
E OFF-BALANCE SHEET ITEMS	27	0	0
LIABILITIES			
A CAPITAL AND RESERVES 029+030+031+036+037+038	28	42.454.276	43.283.258
I INITIAL CAPITAL	29	46.357.000	46.357.000
II CAPITAL RESERVES	30	13.860.181	13.860.181
III PROFIT RESERVES 032+...+035	31	141.000	141.000
1 Legal reserves	32	141.000	141.000
2 Reserves for treasury shares	33	0	0
3 Fair value reserves	34	0	0
4 Other reserves	35	0	0
IV RETAINED PROFIT OR LOSS BROUGHT FORWARD	36	-19.778.307	-17.903.905
V PROFIT OR LOSS FOR THE YEAR	37	1.874.402	828.982
VI MINORITY INTEREST	38	0	0
B PROVISIONS	39	0	0
C SHORT-TERM LIABILITIES 041+...046	40	1.914.309	2.280.408
1 Liabilities for advance payments	41	261.293	118.287
2 Trade payables	42	440.361	665.933
3 Liabilities to employees	43	305.042	328.099
4 Taxes, contributions and similar liabilities	44	261.991	220.434
5 Liabilities to connected undertakings	45	2.638	2.631
6 Other short-term liabilities	46	642.984	945.024
D LONG-TERM LIABILITIES	47	32.667	2.228.710
E DEFERRED TAX LIABILITY	48	0	0
F ACCRUALS AND DEFERRED INCOME	49	3.534.687	3.585.434
G TOTAL LIABILITIES 028+039+040+047+048+049	50	47.935.939	51.377.810
H OFF-BALANCE SHEET ITEMS	51	0	0
Appendix to the balance sheet (position for consolidated financial statements)			
I Capital and reserves 053+054	52	0	0
1 Attributable to owners of the parent	53	0	0
2 Attributable to non-controlling interest	54	0	0

STATEMENT OF PROFIT OR LOSS

For the period 1.1.2021. to 31.12.2021

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
A OPERATING INCOME 002+009	1	14.769.500	4.074.349	14.466.716	4.303.307
I Sales revenue 003+...+008	2	10.171.384	2.541.493	9.581.722	2.493.668
1 Commissions and membership fees	3	4.116.905	904.564	3.565.653	994.329
2 Listing maintenance fees	4	4.873.116	1.311.346	5.062.436	1.258.879
3 Income from quotation maintenance	5	1.181.363	325.583	953.633	240.460
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	4.598.116	1.532.856	4.884.994	1.809.639
1 Income from application programming interface (API) services	10	0	0	0	0
2 Income from the supply of information	11	2.455.583	665.326	2.558.845	736.411
3 Other income	12	2.142.533	867.530	2.326.149	1.073.228
B OPERATING EXPENSES 014+017+021+022+023+026+027	13	13.426.548	3.804.687	14.147.469	4.223.132
I Material costs 015+016	14	3.485.259	1.064.193	4.219.751	1.399.735
1 Costs of raw materials	15	523.936	129.875	443.314	114.085
2 Other external costs	16	2.961.323	934.318	3.776.437	1.285.650
II Staff costs 018+...+020	17	6.682.599	1.557.511	6.810.830	1.722.894
1 Net salaries and wages	18	3.717.832	882.794	3.902.837	993.554
2 Tax and contributions from salary costs	19	2.075.197	468.150	1.979.230	494.290
3 Payroll contributions	20	889.570	206.567	928.763	235.050
III Depreciation	21	1.126.853	282.319	1.182.749	328.935
IV Other costs	22	1.741.952	631.902	1.821.570	707.514
V Value adjustment 024+025	23	285.631	195.000	81.873	40.000
1 fixed assets (other than financial assets)	24	0	0	0	0
2 current assets (other than financial assets)	25	285.631	195.000	81.873	40.000
VI Provisions	26	0	0	0	0
VII Other operating expenses	27	104.254	73.762	30.696	24.054
C FINANCIAL INCOME 029+...+034	28	571.296	6.703	1.028.750	33.182
1 Interest, exchange rate differences, dividends and similar	29	356.512	-701	958.785	76
2 Interest, exchange rate differences, dividends and similar	30	71.132	-6.752	51.851	23.566
3 Income share from associates and participating interests	31	0	0	0	0
4 Unrealised gains (income) from financial assets	32	33.017	11.188	0	0
5 Profit from reversal of provisions for impairment for expected	33	0	0	0	0
6 Other financial income	34	110.635	2.968	18.114	9.540
D FINANCIAL EXPENSES 036+...+040	35	39.846	-245.195	519.015	140.072
1 Interest, exchange rate differences and other expenditures with	36	0	-518	189	25
2 Interest, exchange rate differences and other expenditure from	37	39.839	-12.539	107.068	29.022
3 Unrealised losses (expenses) from financial assets	38	0	0	411.758	110.188
4 Loss on impairment for expected credit losses	39	0	0	0	0
5 Other financial expenses	40	7	-232.138	0	837
E TOTAL INCOME 001+028	41	15.340.796	4.081.052	15.495.466	4.336.489
F TOTAL EXPENDITURE 013+035	42	13.466.394	3.559.492	14.666.484	4.363.204
G Share in profit/loss of associates and subsidiaries	43	0	0	0	0
H PRE-TAX PROFIT OR LOSS 041-042+043	44	1.874.402	521.560	828.982	-26.715
I INCOME TAX	45	0	0	0	0
J PROFIT OR LOSS FOR THE PERIOD 044-045	46	1.874.402	521.560	828.982	-26.715
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	0	0
5 Gains/losses arising from translation of financial	51	0	0	0	0
6 Income tax on other comprehensive income	52	0	0	0	0
K OTHER COMPREHENSIVE INCOME 047+...+052	53	0	0	0	0
TOTAL COMPREHENSIVE INCOME 046+053	54	1.874.402	521.560	828.982	-26.715
M RECLASSIFICATION ADJUSTMENTS	55	0	0	0	0
Appendix **					
Attributable to owners of the parent	56	0	0	0	0
Attributable to non-controlling interest	57	0	0	0	0

STATEMENT OF CASH FLOWS - indirect method
for the period 1.1.2021. to 31.12.2021

in HRK

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	1.874.402	828.982
2 Depreciation	2	1.126.853	1.182.749
3 Increase in short-term liabilities	3	53.238	0
4 Decrease in short-term receivables	4	111.642	315.757
5 Decrease in inventories	5	0	0
6 Loss on impairment for expected credit losses	6	0	0
7 Other cash flow increase	7	0	585.764
I Total cash flow increase from operating activities 001+...+007	8	3.166.135	2.913.252
1 Decrease in short-term liabilities	9	0	60.426
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	95.300	978.306
II Total cash flow decrease from operating activities 009+...+013	14	95.300	1.038.732
CASH FLOW FROM INVESTMENT ACTIVITIES			
1 Cash receipts from sale of fixed tangible and intangible assets	15	58.946	0
2 Cash receipts the from sale of equity instruments and debt	16	0	7.598
3 Interest received	17	17.002	15.120
4 Dividends received	18	410.642	957.313
5 Other cash receipts from investment activities	19	1.842.455	3.684.057
III Total cash receipts from investment activities 015+...+019	20	2.329.045	4.664.088
1 Cash payments for the purchase of fixed tangible and intangible	21	843.977	832.518
2 Cash payments for the acquisition of equity financial	22	24.398	800.000
3 Other cash payments from investment activities	23	2.500.031	2.389.120
IV Total cash payments from investment activities 021+...+023	24	3.368.406	4.021.638
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	711.865	841.893
VI Total cash payments from operating activities 029+...+033	34	711.865	841.893
VII Cash and cash equivalents at the beginning of period	35	318.428	1.638.068
VIII Increase of cash and cash equivalents	36	1.319.640	1.675.077
IX Decrease of cash and cash equivalents	37	0	0
X Cash and cash equivalents at the end of period	38	1.638.068	3.313.145

STATEMENT OF CHANGES IN EQUITY										
		for the period from 1.1.2021 to 31.12.2021							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
Balance on the first day of the previous business year	1	46.357.000	13.860.181	141.000	1.193.751	-20.972.058	0	0	0	40.579.874
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
Balance on the first day of the previous business year (restated)	4	46.357.000	13.860.181	141.000	1.193.751	-20.972.058	0	0	0	40.579.874
Profit or loss for the period	5	0	0	0	1.874.402	0	0	0	0	1.874.402
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	0	0	0
Total directly recognized income and expenses of the previous year (previous year periods)	8	0	0	0	1.874.402	0	0	0	0	1.874.402
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	-1.193.751	1.193.751	0	0	0	0
Balance on the last day of the previous business year reporting period	13	46.357.000	13.860.181	141.000	1.874.402	-19.778.307	0	0	0	42.454.276
Balance on the first day of the current business year	14	46.357.000	13.860.181	141.000	1.874.402	-19.778.307	0	0	0	42.454.276
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
Balance on the first day of the current business year (restated)	17	46.357.000	13.860.181	141.000	1.874.402	-19.778.307	0	0	0	42.454.276
Profit or loss for the period	18	0	0	0	828.982	0	0	0	0	828.982
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	0	0	0	0
Total directly recognised income and expenses of the current year (current period)	21	0	0	0	828.982	0	0	0	0	828.982
Increase/decrease in subscribed capital	22	0	0	0	0	0	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	-1.874.402	1.874.402	0	0	0	0
Balance on the last day of the current business year reporting period	26	46.357.000	13.860.181	141.000	828.982	-17.903.905	0	0	0	43.283.258

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

Name of issuer: Zagrebačka burza d.d.

Personal identification number (OIB): 84368186611

Reporting period: 1.1.2021 - 31.12.2021

Sort of report: Separate

1. Reporting entity

Zagrebačka burza d.d. ("the Company") is a 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

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

Detailed information on the basis of preparation of the financial statements are provided in the Note to the separate financial statements No. 2 presented in the Annual Report on Company Status and Business Activities in 2020 available on the internet page www.zse.hr (further: Annual Report for the Company).

Significant accounting policies

The interim financial statements for the reporting quarter are prepared applying the same accounting policies as in the latest annual financial statements presented in the Annual Report on Company Status and Business Activities in 2020 available on the internet page www.zse.hr.

Information required by IFRSs that is not presented elsewhere in the separate statement of financial position, statement of comprehensive income, statement of cash flows and statement of changes in equity are disclosed in Unconsolidated unaudited financial result for period 1.1. to 31.12.2021 (further: Unconsolidated result for the fourth quarter) as published on the internet page 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 Company does not have financial commitments, guarantees or contingencies that are not included in the consolidated balance sheet as at 31 December 2021 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 Notes to the consolidated financial statements in Note 1.12 presented in the Unconsolidated result for the fourth quarter (www.zse.hr).

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

(a) income from assigning and administering LEIs is, in accordance with the Company's accounting policies reported in other income (AOP 12) in the amount of HRK 369 thousand

(b) other differences between the information presented in the financial statements in TFI form compare to the classification of the information in the audited consolidated financial statements for 2020 are presented in the Attachment to these notes.

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

At the balance sheet date, the Company does not have liabilities falling due after more than five years. At the balance sheet date, the Company does not have debts covered by valuable securities.

6. Average number of employees during the financial year

The average amount of the employees during 2021 is 25.

7. Capitalized costs of the salaries during the financial year

The Company did not capitalize the salaries in the financial year.

8. Deferred taxes

The Company does not have the deferred taxes as at 31 December 2021 as well as at 31 December 2020.

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

The investments in the controlled companies, joint ventures and holdings of a participating interest are presented in the Notes 13 and 14 to the separate financial statements presented in the Annual Report on the Company. During the reporting period there were no significant changes in information presented in the Annual Report for the Company for 2020.

10. Number and the nominal value shares subscribed during the financial year within the limits of the authorised capital

There were no shares subscribed during the financial year within the limits of the authorised capital.

11. Existence of any participation certificates, convertible debentures, warrants, options or similar securities or rights

The Company 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 Company 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 controlled member of any group.

The Company's prepare the consolidate financial statements that are available for use on the internet page www.zse.hr.

14. Name and registered office of the company which draws up the consolidated financial statements 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 controlled member of any group.

15. Place where copies of the consolidated financial statements referred to in points 13 and 14 may be obtained, provided that they are available

The Company prepares the consolidate financial statements that are available for use on the internet page 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

The Company has no arrangement that are not included in the presented unconsolidated financial statements for the year ended at 31 December 2021.

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

Material events arising after the balance sheet date are presented in the Note 1.11 to the Unconsolidated result for the fourth quarter as published the internet page 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 2020

P&L item (IFRS)	Amount HRK'000	P&L item (GFI)	Amount HRK'000
Staff costs	7.117	Staff costs Reclassification from other costs	6.811 306
Other operating costs	5.848	Costs of raw materials Other external costs Value adjustment Other costs Other operating expenses Reclassification to staff costs	443 3.776 82 1.822 31 (306)
Balance sheet item (IFRS)	Amount HRK'000	Balance sheet item (GFI)	Amount HRK'000
Property and equipment Assets with right of use	1.183 3.020	Land and buildings Computer equipment Other tangible assets Assets under construction	2.838 742 180 443
Financial assets at fair value through other comprehensive income Long term deposits Loans receivable from associate	1.302 250 217	Financial assets at amortised cost (long term)	1.769
Trade receivables and other assets Inventories	2.328 6	Receivables (short term) Rounding	2.334
Trade and other payables Short term financial assets	1.581 699	Trade payables Liabilities to employees Advance payments received Taxes, contributions and similar liabilities Other short-term liabilities Rounding	666 328 118 220 945 3
Contractual liabilities	3.585	Accruals and deferred income	3.585