



**ZAGREBAČKA BURZA**  
*Zagreb Stock Exchange*



**LJUBLJANSKA BORZA**  
*LJUBLJANA Stock Exchange*

# Zagreb Stock Exchange Group

Consolidated unaudited financial results for

01/01/2018 – 31/12/2018

21 February 2018



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# **1 INTERIM MANAGEMENT REPORT FOR THE PERIOD BETWEEN 01/01/2018 AND 31/12/2018**

## **1.1 Significant business events of the Group in the period between 01/01/2018 and 31/12/2018**

In 2018, Zagreb Stock Exchange Group (hereinafter: the Group) recorded the following significant business events:

- The Croatian Financial Services Supervisory Agency (HANFA) granted approval to the Zagreb Stock Exchange to engage in trade report publishing on behalf of investment firms (post-trade disclosure), in accordance with Articles 20 and 21 of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (Text with EEA relevance) (OJ L 173, 12.6.2014), as a formal prerequisite for the Exchange to introduce the APA (approved publication arrangement) Service.
- On 2 January 2018, the Zagreb Stock Exchange began to use the Xetra Classic v 17.0 software on its trading platform, thus completing successfully the process of trade harmonization with the new European regulation – MiFID II and MAR.
- On 12 February 2018, the Zagreb Stock Exchange held its Annual General Meeting (AGM), which elected new members of the Supervisory Board for a three-year term and amended the Exchange activities, in accordance with the approval of HANFA for the provision of the APA service.
- In the course of February 2018, the Ljubljana Stock Exchange organized two conferences entitled “SME Financing”, targeting potential Progress Market advisers and issuers.
- On 21 March 2018, the Ljubljana Stock Exchange and the Technology Park Ljubljana organized events entitled “Fund-Raising Opportunities for SMEs”.
- On 23 March 2018, the Ljubljana Stock Exchange hosted a webcast attended by top-tier issuers and 40 investors from 12 countries.
- In the course of March 2018, the “Open Doors’ Week” organized by the Ljubljana Stock Exchange drew participation of more than 320 pupils from 10 different Slovenian schools.
- In April, the Zagreb Stock Exchange and HANFA, supported by the European Bank for Reconstruction and Development (EBRD), launched a project of revising their joint Code of Corporate Governance.
- The 5th Investment Days of the Zagreb and the Ljubljana Stock Exchange in May enlisted the participation of five Slovenian and eleven Croatian issuers, holding 197 one-on-one and group meetings with investors from six countries in two days.

- In June 2018, the fifth fund-raising campaign was launched via the Funderbeam SEE platform for the company named Entrio. It resulted in indicative interest to invest EUR 170,000 to be used by Entrio to penetrate new markets.
- The 9th course of annual education for the companies whose financial instruments are listed on the Zagreb Stock Exchange's regulated market was held on 8 June under the auspices of the Croatian Financial Services Supervisory Agency, the Central Depository and Clearing Company and the Zagreb Stock Exchange.
- The Zagreb Stock Exchange AGM was held on 11 June 2018 to present the Exchange's 2017 Annual Financial Statements and the consolidated financial statements; the AGM adopted resolutions on the 2017 loss coverage, on the grant of discharge to members of the Management and Supervisory Board for 2017 and on the appointment of auditors for 2018.
- The Ljubljana Stock Exchange AGM was held on 12 June 2018 to present the Exchange's 2017 Annual Financial Statements and the consolidated financial statements; the AGM adopted resolutions on dividend payment, on the grant of discharge to members of the Management and Supervisory Board for 2017 and on the appointment of auditors for 2018.
- On 30 June 2018, the Zagreb and Ljubljana Stock Exchanges harmonized their business with the requirement of RTS 27 and provided on time their first reports on the quality of transaction execution.
- On 2 July 2018 Ljubljana Stock Exchange signed with EBRD grand agreement for education of small and medium size enterprises for listing on the Exchange.
- On 23 August 2018, the Croatian Financial Services Supervisory Agency issued a decision approving amendments to the Exchange Rules proposed by the Zagreb Stock Exchange. In addition to harmonization with the EU legal and legislative framework, particularly in the part relating to personal data protection, the section relating to the segments of the regulated market was also amended by introducing a new market segment – the Prime Market.
- On 3 September 2018, the Ljubljana Stock Exchange hosted a webcast attended by top-tier issuers and 32 investors from 8 countries.
- On 4 September 2018, the Zagreb Stock Exchange and Atlantic Group signed an agreement on transition of Atlantic Group from the Official Market to the Prime Market, thus becoming the first issuer to be admitted to trading in this most demanding market segment.
- On 5 September 2018, the Zagreb Stock Exchange Quality Management System was successfully audited for compliance with the ISO 9001:2015 standard.

- A business cooperation agreement between the Zagreb Stock Exchange and the Croatian Banking Association (HUB) was signed on 21 September 2018, paving the way for specialist training in the area of investment services and capital market in general to be delivered by the ZSE Academy to HUB members.
- On 1 October 2018, the Zagreb Stock Exchange closed down the CE Enter market.
- Early in October 2018, the Zagreb Stock Exchange updated its Trading Manual by amending the liquidity criteria for share classification to continuous trading and auction trading. The amended Trading Manual entered into force on 5 October 2018.
- At the end of October 2018, the seventh joint conference of the Zagreb Stock Exchange and investment fund industry entitled "Challenge of Change" was held in Rovinj. The Conference represents a central event of the entire Croatian financial community, as well as that of the region.
- On 14 November 2018, the biggest Slovenian bank - Nova Ljubljanska banka d. d., has been listed on Ljubljana Stock Exchange
- On 22 November 2018, Ljubljana Stock Exchange held a Webcast "Slovenian Listed Companies Online"
- On 29 November 2018, Ljubljana Stock Exchange Investor Day was held and best listed companies and member firms were awarded
- On 29 November 2018, the Zagreb Stock Exchange presented a new communication platform named "Burzin brief", which was conceived as a place to discuss key issues for the Croatian economy as well as that of the region, but also on important global trends and technological innovations that will shape the capital market and influence the broader social context.
- On 30 November 2018, NEXE Group Company has been admitted to trading on PROGRESS as the first issuer in the market
- On 12 December 2018, the Zagreb Stock Exchange Awards were officially awarded
- At the end of December 2018, the Zagreb Stock Exchange signed the contracts with the Arena Hospitality Group, AD Plastik and Podravka for the transfer of these companies from the Official to the PRIME Market
- At the end of 2018, Ljubljana Stock Exchange has issued a publication entitled "Green Exchange", a guide to financing ecological projects through the Ljubljana Stock Exchange.

## 1.2 ZSE and LJSE in 2018

The optimistic start of the year and a positive Q4 trend did not suffice, however, to improve statistics overall compared to those of the previous year. With the total turnover in January up +44.4% on that in December 2017, driving both market capitalization and index values higher, February witnessed a renewed trading suspension of the shares of member companies of the Agrokor concern, so the market plodded on against a backdrop of predominantly negative investor sentiment that was not reversed until very late in the year.

Order book trading turnover in shares shrank -39.8% against an +86.6% increase of that in bonds, resulting in a -24.2% decline in order book trading turnover whereas total turnover ended -22% lower than in 2017. While market capitalization in bonds grew +3%, market capitalization in shares declined at a rate of -4%.

	2017	2018	%
<b>Total turnover (HRK)</b>	3,659,710,222	2,854,064,079	-22.01%
Stocks	2,621,440,038	1,579,186,074	-39.76%
Bonds	367,822,478	686,485,504	86.64%
Equity block turnover	589,481,702	542,352,468	-8.00%
Debt block turnover	80,966,003	46,040,034	-43.14%
<b>Market capitalization - stocks (mil HRK)</b>	138,256.68	132,748.54	-3.98%
<b>CROBEX – 31/12/</b>	1,842.87	1,748.81	-5.10%

Indices closed the year mostly in red: CROBEXtransport suffered the biggest loss (-38.23%) and CROBEXnutris (6.07%) was the only index to record growth at an annual level. CROBEX and CROBEX10 corrected some -5%, while CROBEXtr, which includes dividend payments, dropped -2.8%.

Liquidity was for the most part concentrated in a handful of shares, so 10 of them with the highest turnover accounted for roughly 40% of the total turnover, with Valamar Riviera d.d. as the most actively traded.

Taking into account the fact that almost all world markets faced great challenges in 2018 and most ended the year in red, with some major European stock exchange indices recording double-digit annual losses, the local capital market may be relatively content with the performance in the year behind us.



Index	2017	2018	%
CROBEX	1,842.87	1,748.81	-5.10%
CROBEXtr	1,161.71	1,129.13	-2.80%
CROBEX10	1,076.86	1,017.07	-5.55%
CROBEXplus	1,082.17	947.63	-12.43%
CROBEXindustrija	1,130.91	853.81	-24.50%
CROBEXkonstrukt	535.23	496.32	-7.27%
CROBEXnutris	470.10	498.62	6.07%
CROBEXtransport	1,280.65	791.07	-38.23%
CROBEXturist	3,623.65	3,538.52	-2.35%
CROBIS	110.98	110.99	0.01%
CROBIStr	167.25	174.21	4.16%

Total turnover on the Ljubljana Stock Exchange in 2018 decreased by -4.34% compared to 2017. Share turnover in the observed period decreased by -3.49%, and bond turnover by -11.08% compared to the previous period. On the other hand, market capitalization of shares increased by +18.61% compared to 2017 mostly thanks to listing of NLB shares. The share with the largest turnover in 2018 was the share Krka d.d. and its turnover represented 26% of the total turnover. Index SBI TOP dropped by marginal -0.18% compared to 2017 year.

	2017	2018	%
<b>Total turnover (HRK)</b>	2,609,308,383	2,496,183,673	-4.34%
Stocks	2,512,605,963	2,424,936,140	-3.49%
Bonds	80,124,670	71,247,533	-11.08%
Commercial Papers	16,577,750	0	-100.00%
<b>Market capitalization - stocks (mil HRK)</b>	39,608	46,981	18.61%
<b>SBI TOP – 31/12/</b>	806.52	805.06	-0.18%

### 1.3 Expected future development of the Group

In order to increase the sources of financing small and medium enterprises, Zagreb Stock Exchange started with an analysis of the possibilities for introducing a completely new instrument on the market - e-invoicing and receivables trade. In November 2018, EBRD granted the Zagreb Stock Exchange technical assistance funds for market research and the establishment of an optimal implementation model, which will last until mid-2019. Based on this expert's report, the economic justification of this project and optimal implementation method will be determined. With this, Zagreb Stock Exchange will continue its development activities, focusing on expanding services for medium and small businesses.

During 2019, it is expected that the fundraising campaign will continue through the Funderbeam SEE platform, while there will also be series of activities aimed at attracting the issuer to the Progress Market.

The CROBEX Prime index will be counted from February, and by the end of 2019, the first joint index of Zagreb and Ljubljana Stock Exchange is planned.

Zagreb Stock Exchange will continue to work with HANFA on the project of improving the Corporate Governance Code.

Zagreb and Ljubljana Stock Exchange will continue to work on the promotion of a regulated market. During 2019, several investment conferences will be organized, as well as the promotion of the PRIME market of the Zagreb and Ljubljana Stock Exchange to foreign investors in New York and London.

Early in 2019, the project of migration of Zagreb and Ljubljana Stock Exchange on the new version of the trading system Xetra T7 was launched. The subject of migration is all the stock exchanges offered by the Vienna Stock Exchange. End of migration for Zagreb and Ljubljana Stock Exchange is planned on June 10, 2019.

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

The Group is continuously working on the development and improving of existing platforms and external services.

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

As of 31 December, 2018, companies in the Group held no own shares.

They did not acquire own shares between 1 January 2018 and 31 December 2018.

#### **1.6 Zagreb Stock Exchange Group**

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%.

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%.

Funderbeam SEE d.o.o., a company domiciled in Zagreb. The issued share capital of Funderbeam SEE is HRK 244,000, and the Zagreb Stock Exchange, Inc. participates with 20%.

#### **1.7 Financial instruments used by the Group**

The Group is fully funded by its own capital. The financial instruments the Group invests 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 Stock Exchange and Ljubljana Stock Exchange: monitoring of compliance with relevant regulations and internal audit function.

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

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

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

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

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

The Group confirms that there were no transactions within the Group or between the Group and its shareholders in excess of EUR 100,000 in 2018.

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

The Group confirms that there were no events which might have an adverse effect on Group operations in 2018.

### **1.12 Business results for 01/01/2018 – 31/12/2018**

The Group's total operating income in 2018 amounted to HRK 24,229 thousand, a slight decrease of -0.7% compared to 2017. However, sales revenues in the observed period amounted to HRK 23,522 thousand, an increase of +3% compared to the previous period. Revenues from trading fees in 2018 represents 28.77% of total revenues and amounts to HRK 6,972 thousand which is a decrease of -8,4% compared to 2017. The loss of revenues from trading fees due to a significant drop in turnover is canceled by other sources of income that the Group realizes. Significant revenue growth was achieved with educational services revenue (+379.1%), revenues from OTC data disclosure fees (+127%) and revenues from LEI assignment and maintenance fees (+115.4%). Revenues from exchange data dissemination fees (+15.8%), revenues from listing fees (+15.2%) and revenues from maintenance of quotations fees (+2.9%) also increased. Due to first admitting to trading on Progress market, in 2018 first revenue was recorded from that market.

On the other hand, operating costs fell by slightly less than HRK 5,000 thousand or -17.28%, and in 2018 they amounted to HRK 23,619 thousand. In the observed period the following items decreased: software costs by -43.6%, depreciation and amortization by -32.9%, other operating expenses by -15.3%, office space rent and related costs by -8.8% and administrative fees by -1%. Slight increase was recorded only in staff costs +0.5%.

The Group's financial income in 2018 fell by -86.27% compared to 2017. On the other hand, financial expenses also decreased by -45.95%.

The total result of the Group in 2018 is HRK 439 thousand, an increase of HRK 4,193 thousand compared to the year 2017, when it was negative, amounting to HRK -3,755 thousand. Operating profit of the Group is positive and amounts to HRK 1,789 thousand.

## 2 Declaration of responsibility for the preparation of financial statements

The financial statements of the Group prepared for the period between 01/01/2018 and 31/12/2018 give a fair and true account of facts in accordance with the International Standards of Financial Reporting and the Croatian Accounting Act.

Consolidated unaudited financial statements for the period between 01/01/2018 and 31/12/2018 give an objective, complete and true statement of assets and liabilities, financial position and operations of the Group.

The management report for 2018 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.

We make note of the fact that this is an unaudited result, so any changes in the final statement to be published by the Exchange in the statutory time limit will reflect audit findings. However, we expect no major discrepancies in relation to the current statement.

Ivana Gažić  
President of the Management Board

  
ZAGREBAČKA BURZA Tomislav Gračan  
Zagreb Member of the Management Board

### **Contact**

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Consolidated unaudited financial statements of the  
Company for 01/01/2018 – 31/12/2018

**Annex 1.**

Reporting period

1.1.2018

to

31.12.2018

**Quarterly financial report TFI-POD**

Tax number (MB): 3749606

Company registration number (MBS): 080034217

Personal identification number (OIB): 84368186611

Issuing company: ZAGREBAČKA BURZA d.d.

Postal code and place 10000

Zagreb

Street and house number: Ivana Lučića 2a

E-mail address: \_

Internet address \_

Municipality/city code and name

133

ZAGREB

County code and name

21

GRAD ZAGREB

Number of employees:

38

(period end)

Consolidated report:

YES

NKD code:

6611

Companies of the consolidation subject (according to IFRS):

Seat:

MB:

LJUBLJANSKA BORZA d.d.

LJUBLJANA

5316081

Bookkeeping service: 04578244

SIGMA TAX CONSULTING D.O.O.

Contact person: LUCIJA TROPČIĆ  
(only surname and name)

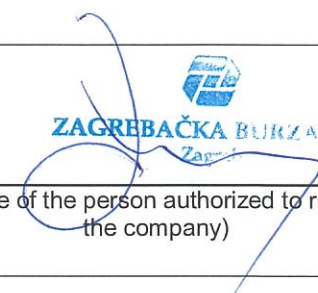
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Family name and name: Gažić Ivana, Gračan Tomislav  
(person authorized to represent the company)

L.S.

  
(signature of the person authorized to represent the company)

<b>Balance Sheet</b>			
<b>31.12.2018</b>			
<b>Company: ZAGREBAČKA BURZA d.d.</b>			
Position	AOP	Previous period	Current period
1	2	3	4
<b>ASSETS</b>			
<b>A) RECEIVABLES FOR SUBSCRIBED NOT PAID CAPITAL</b>	<b>001</b>		
<b>B) NON-CURRENT ASSETS (003+010+020+029+033)</b>	<b>002</b>	20.003.117	20.585.737
I. INTANGIBLE ASSETS (004 do 009)	<b>003</b>	2.890.552	2.519.991
1. Expenditure for development	<b>004</b>	-	-
2. Concessions, patents, licenses, trademarks, service marks, software and other rights	<b>005</b>	1.707.642	1.352.206
3. Goodwill	<b>006</b>	1.182.910	1.167.785
4. Advances for purchase of intangible assets	<b>007</b>	-	-
5. Intangible assets in progress	<b>008</b>	-	-
6. Other intangible assets	<b>009</b>	-	-
II. PROPERTY, PLANT AND EQUIPMENT (011 do 019)	<b>010</b>	14.197.036	12.230.562
1. Land	<b>011</b>		
2. Buildings	<b>012</b>	12.318.121	10.529.783
3. Plant and equipment	<b>013</b>	351.621	353.812
4. Tools, working inventory and transportation assets	<b>014</b>	1.527.294	1.346.967
5. Biological assets	<b>015</b>	-	-
6. Advances for purchase of tangible assets	<b>016</b>	-	-
7. Tangible assets in progress	<b>017</b>	-	-
8. Other tangible assets	<b>018</b>	-	-
9. Investment in real-estate	<b>019</b>	-	-
III. NON-CURRENT FINANCIAL ASSETS (021 do 028)	<b>020</b>	2.618.665	5.527.718
1. Share in related parties	<b>021</b>	-	-
2. Loans to related parties	<b>022</b>	-	-
3. Participating interests (shares)	<b>023</b>	120.697	42.008
4. Loans to companies with participating interest	<b>024</b>	172.541	217.271
5. Investments in securities	<b>025</b>	197.125	197.125
6. Loans, deposits, etc.	<b>026</b>	2.128.302	5.071.314
7. Other non-current financial assets	<b>027</b>	-	-
8. Equity-accounted investments	<b>028</b>	-	-
IV. RECEIVABLES (030 do 032)	<b>029</b>	-	-
1. Receivables from related parties	<b>030</b>	-	-
2. Receivables arising from sales on credit	<b>031</b>	-	-
3. Other receivables	<b>032</b>	-	-
V. DEFERRED TAX ASSET	<b>033</b>	296.864	307.466
<b>C) CURRENT ASSETS (035+043+050+058)</b>	<b>034</b>	<b>25.538.384</b>	<b>24.324.944</b>
I. INVENTORIES (036 do 042)	<b>035</b>	10.455	6.554
1. Raw materials and supplies	<b>036</b>	-	-
2. Production in progress	<b>037</b>	-	-
3. Finished products	<b>038</b>	-	-
4. Merchandise	<b>039</b>	10.455	6.554
5. Advances for inventories	<b>040</b>	-	-
6. Long term assets held for sale	<b>041</b>	-	-
7. Biological assets	<b>042</b>	-	-
II. RECEIVABLES (044 do 049)	<b>043</b>	2.829.070	3.439.641



1. Receivables from related parties	044	-	-
2. Receivables from end-customers	045	2.447.865	2.717.587
3. Receivables from participating parties	046	-	-
4. Receivables from employees and members of the company	047	14.792	1.470
5. Receivables from government and other institutions	048	311.457	152.622
6. Other receivables	049	54.956	567.962
<b>III. CURRENT FINANCIAL ASSETS (051 do 057)</b>	<b>050</b>	<b>20.849.966</b>	<b>18.437.578</b>
1. Share in related parties	051	-	-
2. Loans to related parties	052	-	-
3. Participating interests (shares)	053	-	-
4. Loans to companies with participating interest	054	-	-
5. Investments in securities	055	-	-
6. Loans, deposits, etc.	056	2.632.655	744.598
7. Other financial assets	057	18.217.311	17.692.980
<b>IV. CASH AND CASH EQUIVALENTS</b>	<b>058</b>	<b>1.848.893</b>	<b>2.441.171</b>
<b>D) PREPAYMENTS AND ACCRUED INCOME</b>	<b>059</b>	<b>979.777</b>	<b>1.121.828</b>
<b>E) TOTAL ASSETS (001+002+034+059)</b>	<b>060</b>	<b>46.521.278</b>	<b>46.032.509</b>
<b>F) OFF BALANCE SHEET ITEMS</b>	<b>061</b>		
<b>EQUITY AND LIABILITIES</b>			
<b>A) ISSUED CAPITAL AND RESERVES (063+064+065+071+072+075+078)</b>	<b>062</b>	<b>39.878.927</b>	<b>40.089.864</b>
<b>I. SUBSCRIBED SHARE CAPITAL</b>	<b>063</b>	<b>46.357.000</b>	<b>46.357.000</b>
<b>II. CAPITAL RESERVES</b>	<b>064</b>	<b>13.860.181</b>	<b>13.860.181</b>
<b>III. RESERVES FROM PROFIT (066+067-068+069+070)</b>	<b>065</b>	<b>141.000</b>	<b>141.000</b>
1. Legal reserves	066	141.000	141.000
2. Reserve for own shares	067	-	-
3. Treasury shares and shares (deductible items)	068	-	-
4. Statutory reserves	069	-	-
5. Other reserves	070	-	-
<b>IV. REVALUATION RESERVES</b>	<b>071</b>	<b>896.018</b>	<b>610.209</b>
<b>V. RETAINED EARNINGS OR LOSS CARRIED FORWARD (073-074)</b>	<b>072</b>	<b>(17.620.568)</b>	<b>(21.317.177)</b>
1. Retained earnings	073	-	-
2. Loss carried forward	074	17.620.568	21.317.177
<b>VI. NET PROFIT OR LOSS FOR THE PERIOD (076-077)</b>	<b>075</b>	<b>(3.754.704)</b>	<b>438.651</b>
1. Net profit for the period	076	-	438.651
2. Net loss for the period	077	3.754.704	-
<b>VII. MINORITY INTEREST</b>	<b>078</b>	<b>-</b>	<b>-</b>
<b>B) PROVISIONS (080 do 082)</b>	<b>079</b>	<b>-</b>	<b>-</b>
1. Provisions for pensions, severance pay and similar liabilities	080	-	-
2. Provisions for tax liabilities	081	-	-
3. Other provisions	082	-	-
<b>C) NON-CURRENT LIABILITIES (084 do 092)</b>	<b>083</b>	<b>326.249</b>	<b>254.161</b>
1. Liabilities to related parties	084	-	-
2. Liabilities for loans, deposits, etc.	085	-	-
3. Liabilities to banks and other financial institutions	086	85.986	31.109
4. Liabilities for advances	087	-	-
5. Trade payables	088	-	-
6. Commitments on securities	089	-	-
7. Liabilities to companies with participating interest	090	-	-
8. Other non-current liabilities	091	-	-
9. Deferred tax liabilities	092	240.263	223.052
<b>D) CURRENT LIABILITIES (094 do 105)</b>	<b>093</b>	<b>2.526.469</b>	<b>2.084.894</b>
1. Liabilities to related parties	094	-	-

2. Liabilities for loans, deposits, etc.	095	-	-
3. Liabilities to banks and other financial institutions	096	60.470	59.600
4. Liabilities for advances	097	9.186	8.945
5. Trade payables	098	1.293.588	973.564
6. Commitments on securities	099	-	-
7. Liabilities to companies with participating interest	100	-	-
8. Liabilities to employees	101	665.502	671.056
9. Taxes, contributions and similar liabilities	102	481.689	370.483
10. Liabilities arising from share in the result	103	-	-
11. Liabilities arising from non-current assets held for sale	104	-	-
12. Other current liabilities	105	16.034	1.246
<b>E) ACCRUED EXPENSES AND DEFERRED INCOME</b>	<b>106</b>	<b>3.789.633</b>	<b>3.603.590</b>
<b>F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)</b>	<b>107</b>	<b>46.521.278</b>	<b>46.032.509</b>
<b>G) OFF BALANCE SHEET ITEMS</b>	<b>108</b>	-	-
<b>ADDITION TO BALANCE SHEET (only for consolidated financial statements)</b>			
<b>ISSUED CAPITAL AND RESERVES</b>			
1. Attributable to majority owners	109	39.878.927	40.089.864
2. Attributable to minority interest	110	-	-

<b>Income statement</b>					
period 01.01.2018 to 31.12.2018					
Company: ZAGREBAČKA BURZA d.d.					
Position	AOP	Previous period	Previous period	Current period	Current period
1	2	Cumulative	Quarter	Cumulative	Quarter
3	4	5	6		
<b>I. OPERATING INCOME (112 do 113)</b>	<b>111</b>	<b>24.398.617</b>	<b>6.074.258</b>	<b>24.229.170</b>	<b>7.276.654</b>
1. Rendering of services	112	22.834.205	5.942.834	23.522.097	7.160.434
2. Other operating income	113	1.564.412	131.424	707.073	116.220
<b>II. OPERATING COSTS (115+116+120+124+125+126+129+130)</b>	<b>114</b>	<b>28.550.879</b>	<b>8.432.366</b>	<b>23.618.691</b>	<b>6.663.418</b>
1. Change in inventories of work in progress	115	-	-	-	-
2. Material expenses (117 do 119)	116	12.070.472	3.960.140	7.953.788	2.057.419
a) Costs of raw materials	117	779.060	171.208	623.990	104.427
b) Cost of goods sold	118	-	(2.770)	-	-
c) Other material expenses	119	11.291.412	3.791.702	7.329.798	1.952.992
3. Employee benefits expenses (121 do 123)	120	10.478.231	3.237.827	10.372.333	2.732.342
a) Net salaries	121	7.062.414	2.274.478	6.892.975	1.801.449
b) Tax and contributions from salary expenses	122	2.536.988	695.235	2.590.310	695.088
c) Contributions on salary	123	878.829	268.114	889.048	235.805
4. Depreciation and amortization	124	1.791.613	369.810	1.178.955	262.810
5. Other expenses	125	3.014.990	(134.062)	3.501.008	1.394.394
6. Write down of assets (127+128)	126	339.107	323.469	314.733	186.527
a) non-current assets (except financial assets)	127	-	-	-	-
b) current assets (except financial assets)	128	339.107	323.469	314.733	186.527
7. Provisions	129	-	-	-	-
8. Other operating costs	130	856.466	675.182	297.874	29.926
<b>III. FINANCIAL INCOME (132 do 136)</b>	<b>131</b>	<b>672.480</b>	<b>(194.848)</b>	<b>92.322</b>	<b>(13.538)</b>
1. Interest, foreign exchange differences, dividends and similar income from related parties	132	-	(3.526)	96	60
2. Interest, foreign exchange differences, dividends and similar income from third parties	133	94.777	(258.305)	74.412	(2.696)
3. Income from investments in associates and joint ventures	134	-	-	-	-
4. Unrealized gains (income) from financial assets	135	543.091	32.397	-	(28.716)
5. Other financial income	136	34.612	34.586	17.814	17.814
<b>IV. FINANCIAL EXPENSES (138 do 141)</b>	<b>137</b>	<b>108.755</b>	<b>(297.895)</b>	<b>58.779</b>	<b>43.368</b>
1. Interest, foreign exchange differences, dividends and similar income from related parties	138	-	(5.145)	-	-
2. Interest, foreign exchange differences, dividends and similar income from third parties	139	64.417	(260.884)	34.543	19.137
3. Unrealized losses (expenses) from financial assets	140	166	166	24.236	24.231
4. Other financial expenses	141	44.172	(32.032)	-	-
<b>V. SHARE OF PROFIT FROM ASSOCIATED COMPANIES</b>	<b>142</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VI. SHARE OF LOSS FROM ASSOCIATED COMPANIES</b>	<b>143</b>	<b>55.587</b>	<b>20.012</b>	<b>124.780</b>	<b>105.839</b>
<b>VII. EXTRAORDINARY - OTHER INCOME</b>	<b>144</b>	<b>-</b>	<b>(2.719)</b>	<b>-</b>	<b>-</b>
<b>VIII. EXTRAORDINARY - OTHER EXPENSES</b>	<b>145</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IX. TOTAL INCOME (111+131+144)</b>	<b>146</b>	<b>25.071.097</b>	<b>5.876.691</b>	<b>24.321.491</b>	<b>7.263.115</b>
<b>X. TOTAL EXPENSES (114+137+143+145)</b>	<b>147</b>	<b>28.715.221</b>	<b>8.154.483</b>	<b>23.802.250</b>	<b>6.812.625</b>
<b>XI. PROFIT OR LOSS BEFORE TAXES (146-147)</b>	<b>148</b>	<b>(3.644.124)</b>	<b>(2.277.792)</b>	<b>519.242</b>	<b>450.491</b>
1. Profit before taxes (146-147)	149	-	-	519.242	450.491
2. Loss before taxes (147-146)	150	3.644.124	2.277.792	-	-
<b>XII. TAXATION</b>	<b>151</b>	<b>110.580</b>	<b>110.580</b>	<b>80.591</b>	<b>(428)</b>
<b>XII. PROFIT OR LOSS FOR THE PERIOD (148-151)</b>	<b>152</b>	<b>(3.754.704)</b>	<b>(2.388.372)</b>	<b>438.651</b>	<b>450.919</b>

1. Profit for the period (149-151)	153	-	-	438.651	450.919
2. Loss for the period (151-148)	154	3.754.704	2.388.372	-	-
<b>ADDITION TO PROFIT AND LOSS ACCOUNT (only for consolidated financial statements)</b>					
<b>XIV. PROFIT OR LOSS FOR THE PERIOD</b>					
1. Attributable to majority owners	155	(3.754.704)	(2.388.372)	438.651	450.919
2. Attributable to minority interest	156	-	-	-	-
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (only for IFRS adopters)</b>					
<b>I. PROFIT OR LOSS FOR THE PERIOD (=152)</b>	<b>157</b>	<b>(3.754.704)</b>	<b>(2.388.372)</b>	<b>438.651</b>	<b>450.919</b>
<b>II. OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAXES (159 TO 165)</b>	<b>158</b>	<b>1.263.306</b>	<b>1.263.306</b>	<b>(225.666)</b>	<b>(29.699)</b>
1. Exchange differences from international settlement	159	(42.694)	(42.694)	(225.666)	(29.699)
2. Changes in revaluation reserves of long-term tangible and intangible assets	160	1.306.000	1.306.000	-	-
3. Profit or loss from re-evaluation of financial assets held for sale	161	-	-	-	-
4. Profit or loss from cash flow hedging	162	-	-	-	-
5. Profit or loss from hedging of foreign investments	163	-	-	-	-
6. Share of other comprehensive income/loss from associated companies	164	-	-	-	-
7. Actuarial gains/losses from defined benefit plans	165	-	-	-	-
<b>III. TAXATION OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>166</b>	<b>150.000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IV. NET OTHER COMPREHENSIVE INCOME FOR THE PERIOD (158 TO 166)</b>	<b>167</b>	<b>1.113.306</b>	<b>(1.263.306)</b>	<b>(225.666)</b>	<b>(29.699)</b>
<b>V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)</b>	<b>168</b>	<b>(2.641.398)</b>	<b>(3.651.678)</b>	<b>212.985</b>	<b>421.220</b>
<b>ADDITION TO STATEMENT OF OTHER COMPREHENSIVE INCOME (only for consolidated financial statements)</b>					
<b>VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD</b>					
1. Attributable to majority owners	169	(2.641.398)	(3.651.678)	212.985	421.220
2. Attributable to minority interest	170	-	-	-	-

<b>Cash flow statement - indirect method</b>			
<b>period 01.01.2018 to 31.12.2018</b>			
Company: ZAGREBČKA BURZA d.d.			
Position	AOP	Previous period	Current period
1	2	3	4
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	001	(1.366.332)	519.242
2. Depreciation and amortization	002	1.421.803	1.178.955
3. Decrease of current liabilities	003	373.600	-
4. Decrease of current receivables	004	924.087	-
5. Decrease of inventories	005	2.770	3.901
6. Other cash flow increases	006	2.251.909	228.801
<b>I. Total increase of cash flow from operating activities</b>	<b>007</b>	<b>3.607.837</b>	<b>1.930.898</b>
1. Decrease of current liabilities	008	3.940.888	360.984
2. Increase of current receivables	009	693.468	925.304
3. Increase of inventories	010	-	192.908
4. Other cash flow decreases	011	2.042.070	530.947
<b>II. Total decrease of cash flow from operating activities</b>	<b>012</b>	<b>6.676.426</b>	<b>2.010.143</b>
<b>A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>013</b>	<b>-</b>	<b>-</b>
<b>A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>014</b>	<b>3.068.589</b>	<b>79.244</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
1. Proceeds from sale of non-current assets	015	-	1.524.111
2. Proceeds from sale of non-current financial assets	016	-	-
3. Interest received	017	29.172	-
4. Dividend received	018	-	-
5. Other proceeds from investing activities	019	1.291.689	2.388.152
<b>III. Total cash inflows from investing activities</b>	<b>020</b>	<b>1.320.861</b>	<b>3.912.263</b>
1. Purchase of non-current assets	021	1.157.109	134.820
2. Purchase of non-current financial assets	022	-	-
3. Other cash outflows from investing activities	023	6.032.033	3.033.833
<b>IV. Total cash outflows from investing activities</b>	<b>024</b>	<b>7.189.142</b>	<b>3.168.653</b>
<b>B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>025</b>	<b>-</b>	<b>743.610</b>
<b>B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>026</b>	<b>5.868.281</b>	<b>-</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
1. Proceeds from issue of equity securities and debt securities	027	-	-
2. Proceeds from loans and borrowings	028	159.339	-
3. Other proceeds from financing activities	029	-	-
<b>V. Total cash inflows from financing activities</b>	<b>030</b>	<b>159.339</b>	<b>-</b>
1. Repayment of loans and bonds	031	-	72.088
2. Dividends paid	032	-	-
3. Repayment of finance lease	033	-	-
4. Purchase of treasury shares	034	-	-
5. Other cash outflows from financing activities	035	-	-
<b>VI. Total cash outflows from financing activities</b>	<b>036</b>	<b>-</b>	<b>72.088</b>
<b>C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>037</b>	<b>159.339</b>	<b>-</b>
<b>C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>038</b>	<b>-</b>	<b>72.088</b>
Total increases of cash flows	039	-	592.278
Total decreases of cash flows	040	8.777.531	-
Cash and cash equivalents at the beginning of period	041	12.091.239	1.848.893
Increase of cash and cash equivalents	042	310.654	592.278
Decrease of cash and cash equivalents	043	8.777.531	-
Cash and cash equivalents at the end of period	044	3.624.362	2.441.171

**STATEMENT OF CHANGES IN EQUITY**  
**period 1.1.2018 to 31.12.2018**

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed share capital	001	46.357.000	46.357.000
2. Capital reserves	002	-	13.860.181
3. Reserves from profit	003	14.001.181	141.000
4. Retained earnings or loss carried forward	004	(17.620.404)	(21.317.177)
5. Net profit or loss for the period	005	(1.366.332)	438.651
6. Revaluation of tangible assets	006	-	996.288
7. Revaluation of intangible assets	007	-	-
8. Revaluation of available for sale assets	008	-	-
9. Other revaluation	009	-	(386.079)
<b>10. Total equity and reserves (AOP 001 to 009)</b>	<b>010</b>	<b>41.371.445</b>	<b>40.089.864</b>
11. Foreign exchange differences from foreign investments	011	(433.700)	225.666
12. Current and deferred taxes	012	-	-
13. Cash flow hedge	013	-	-
14. Change of accounting policies	014	-	-
15. Correction of significant mistakes of prior period	015	-	-
16. Other changes	016	(1.366.332)	436.755
<b>17. Total increase or decrease of equity (AOP 011 to 016)</b>	<b>017</b>	<b>(1.800.032)</b>	<b>211.089</b>
17 a. Attributable to majority owners	018	(1.800.032)	211.089
17 b. Attributable to minority interest	019	-	-