



ZAGREBAČKA  
BURZA

*Zagreb Stock Exchange*

# Zagreb Stock Exchange, Inc.

Unconsolidated unaudited financial results for

01/01/2019 – 30/09/2019

23 October 2019



## CONTENTS

1	INTERIM MANAGEMENT REPORT FOR THE PERIOD BETWEEN 01/01/2019 AND 30/09/2019 .....	1
1.1	Significant business events of the Zagreb Stock Exchange, Inc. in the period between 01/01/2019 and 30/09/2019 .....	1
1.2	Expected future development of the Company .....	3
1.3	Research & Development activities.....	3
1.4	Information on repurchase of own shares.....	4
1.5	Subsidiaries of the Company.....	4
1.6	Financial instruments used by the Company .....	4
1.7	Company's objectives and policies related to financial risk management.....	4
1.8	Company's exposure to price risk, credit risk, liquidity risk and cash flow risk.....	5
1.9	Statement of transactions and transfers between the Company and its subsidiaries and shareholders 5	
1.10	Statement of events which might have an adverse effect on Company operations .....	5
1.11	Business results for 01/01/2019 – 30/09/2019.....	5
2	Declaration of responsibility for the preparation of financial statements .....	7
	Unconsolidated unaudited financial statements of the Company for 01/01/2019 – 30/09/2019 .....	8



## **1 INTERIM MANAGEMENT REPORT FOR THE PERIOD BETWEEN 01/01/2019 AND 30/09/2019**

### **1.1 Significant business events of the Zagreb Stock Exchange, Inc. in the period between 01/01/2019 and 30/09/2019**

In the first tri quarters of 2019, the Zagreb Stock Exchange, Inc. (hereinafter: the Company or the Exchange) recorded the following significant business events:

- On January 2, 2019, the Zagreb Stock Exchange successfully implemented the Cross Request functionality in the trading system.
- On January 3, 2019, the Zagreb Stock Exchange and Podravka signed a contract for transferring the Podravka Company from the Official to the Prime Market.
- On January 3, 2019, the BC Institute was admitted to the Progress market.
- On January 29, 2019, the Croatian Financial Services Supervisory Agency approved the registration of the Zagreb Stock Exchange's Progress Market as an SME growth market, making Progress among the few SME growth markets in Europe.
- On 18 February, 2019, the Zagreb Stock Exchange has started to release a new share index, the index of Prime market CROBEXprime. CROBEXprime presents the so-called free float market capitalization weighted index, in which the weight of each share will be determined in accordance with its free float market capitalization.
- On March 22, 2019, the Zagreb Stock Exchange made a decision on termination the listing of Dalma d.d., Imunološki zavod d.d., Jadran film d.d. and Tankerkomerc d.d. for non-fulfillment of obligations.
- In the first quarter of 2019, two campaigns were carried out on the Funderbeam SEE platform, for the TDA-Top Digital Agency Company, where the amount of EUR 420,000 was collected and for the OmoLab Company, which raised the amount of EUR 240,000.
- On April 26, 2019, the Zagreb Stock Exchange and Valamar Riviera signed a contract for the transfer of Valamar Riviera from the Official to the PRIME Market.
- On May 16, 2019, the Company Lux investment was admitted to trading on the Progress market.
- At the end of May, the 6th Zagreb and Ljubljana Stock Exchange Investor Days were held, attended by fifteen issuers from the Zagreb and Ljubljana Stock Exchange, who held 255 meetings with investors from nine countries in two days.

- On June 7, 2019, the 10th annual education of the Zagreb Stock Exchange, the Croatian Financial Services Supervisory Agency and the Central Depository & Clearing Company was held. The education was intended for companies whose financial instruments are listed on the regulated market of the Zagreb Stock Exchange.
- On June 19, 2019, the first joint Zagreb and Ljubljana stock exchange Prime market index – ADRIAprime, was published.
- On June 27, 2019, the Zagreb Stock Exchange General Assembly was held, whereby the Annual Financial Statements and Consolidated Financial Statements of the Exchange for 2018 were presented, decisions made on the use of the profit realized in 2018, on the release of the members of the Management Board and the Supervisory Board for 2018 and on the appointing a stock exchange auditor for 2019.
- In the second quarter of 2019, one campaign was launched on the Funderbeam SEE platform, for Include, where the amount of nearly EUR 1.5 million was raised.
- On July 1, 2019, the Zagreb Stock Exchange made a decision on termination the listing of Hoteli Makarska d.d.
- On July 25, 2019, the Zagreb Stock Exchange made a decision on termination the listing of Metalska industrija Varaždin d.d. and Questus nekretnine d.d. in liquidation
- In July 2019, CFSSA acknowledged the Zagreb Stock Exchange as a provider of appropriate education and exams for the relevant functions defined by the Ordinance on Qualifications and Personnel Requirements for the Investment Services as providing information to clients about financial instruments and investment services. This qualification has been included in the list of recognized qualifications on the CFSSA site as a "ZSE L1 certificate". It is planned to start respective educational activities at the end of 2019.
- On August 27, 2019, the Zagreb Stock Exchange made a decision for the transfer of Uljanik d.d. from Official to Regular Market
- On August 30, 2019, the Zagreb Stock Exchange made a decision on termination the listing of Pounje d.d.
- From January 1 to September 30, 2019, one new Bond (Republic of Croatia - Ministry of Finance, February 5, 2019) and one new Share (Meritus ulaganja d.d., August 6, 2019) were listed
- In the first three quarters of 2019, the Price List of the Exchange has been amended twice. The First Amendments to the Price List came into force on January 23, 2019. As part of these amendments, the amount of membership fee was reduced and a number of new fees were introduced, namely fees for changing the designation of a financial instrument, for termination of listing on the regulated market, for data vendors who redistribute data on

transactions reported through ZSE APA service, fees for issuing certificates on the status of a member and/or the market maker, and prescribes general principles or types of discounts that the Exchange may grant to its users. On August 15, 2019, the Second Amendments to the Price List entered into force. These Amendments have changed the methodology for determining the listing price of shares and bonds on the regulated market and the listing maintenance fee in such a way that the respective fee is calculated on the basis of market capitalization, which is a standard accepted among comparable European stock exchanges. The alignment of the business and legal regulation of the Exchange with the standards of other exchanges in the European Union is, among other things, one of the reasons for the changes in the Price List.

- On September 4, 2019, the Warsaw Stock Exchange, in cooperation with the stock exchanges from the Czech Republic, Slovakia, Hungary, Romania, Croatia and Slovenia, launched the calculation of the new CEEplus stock index, which includes four shares from the Ljubljana Stock Exchange and two shares from the Zagreb Stock Exchange.
- In 2018, Corporate Communications took over the organization of education and exams in relation to the Ordinance on Qualifications and Personnel Requirements for the Investment Services, following CFSSA's approval. By the end of September 2019, education and/or exams were conducted for almost 300 employees of two banks in 4 regional centres.
- At the end of the third quarter of 2019, a campaign was launched on the Funderbeam SEE platform for Fresh Island, which, by the time this report was published, had raised over EUR 700,000.

## **1.2 Expected future development of the Company**

In 2019, 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 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).

By the end of 2019, extensive activities regarding moving to a new version of the T7 trading system will be ended.

## **1.3 Research & Development activities**

The Company has pressed on with continuous efforts at developing and improving its own service offering and at expending service provision to the Slovenian market as well. At the beginning of 2019,

after 10 years, the service of the market maker was reinstated on the Ljubljana Stock Exchange with the Croatian member.

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

As at September 30, 2019, the Company held no own shares.

The Company did not acquire own shares between 1 January 2019 and 30 September 2019.

#### **1.5 Subsidiaries of the Company**

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 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 Zagreb Stock Exchange, Inc. participates with 20%.

#### **1.6 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 deposits (a vista and fixed-term deposits).

#### **1.7 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.



## **1.8 Company's exposure to price risk, credit risk, liquidity risk and cash flow risk**

The Company places its excess cash on deposit and invests in open-end money market and bond investment funds. 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.

## **1.9 Statement of transactions and transfers between the Company and its subsidiaries and shareholders**

The Company confirms that there were no transactions between the Company and its subsidiaries and shareholders in excess of EUR 100,000 in the first three quarters of 2019.

## **1.10 Statement of events which might have an adverse effect on Company operations**

The Company confirms that there were no events which might have an adverse effect on Company operations in the first three quarters of 2019.

## **1.11 Business results for 01/01/2019 – 30/09/2019**

In the first three quarters of 2019, the Company realized a total of HRK 10,174 thousand of operating income, up HRK +1,140 thousand or +13% from the same year-ago period when operating income amounted to HRK 9,034 thousand. Compared to the last year's first three quarters, sales revenue increased from HRK 6,663 to HRK 6,687 thousand, or by just over HRK 24 thousand. Commissions and membership fees, as the main source of revenue, increased from HRK 2,607 to HRK 2,859 thousand, or by HRK +253 thousand (+10%), which was strongly influenced by the increased volume of securities trading in September 2019, while income from quotation maintenance increased from HRK 660 to HRK 676 thousand, or by HRK +16 thousand (+2%). Although these items increased, the increase in sales revenue did not follow this increase due to a decrease in listing maintenance fees that fell from HRK 3,063 to HRK 2,851 thousand, or by HRK -212 thousand (-7%), and a decrease in revenue from assigning and administering LEIs from HRK 334 to HRK 301 thousand, or by HRK -33 thousand (-10%). The largest increase in revenues compared to the same period last year was recorded in other operating income, which increased from HRK 2,370 to HRK 3,486 thousand, or by HRK +1,115 thousand (+47%). The increase in other operating income was mostly influenced by the increase in revenue from the educational services, from HRK 164 to HRK 706 thousand, or by HRK +542 thousand (+330%). An increase was also recorded in revenues from OTC data disclosure fees (HRK +91 thousand or +33%) and revenues from exchange data dissemination fees (HRK +240 thousand or +16%). Progress revenue dropped from HRK 33 to HRK 28 thousand, or by HRK -5

thousand (-15%), while revenue from API membership fees remained at the same level as in the first three quarters of 2018.

The total operating expenses of the Company in the first three quarters of 2019 amounted to HRK 10,283 thousand, an increase of HRK +789 thousand (+8%) over the same period last year when operating expenses amounted to HRK 9,494 thousand. Significant increase in depreciation and amortization from HRK 310 to HRK 814 thousand (+163%) and lower office space rent and related costs from HRK 1,004 to HRK 469 thousand (-53%) is associated with IFRS 16. In accordance with IFRS 16, office space and cars rent are now shown through an overview of the total rental value recognized in the balance sheet and is presented as an amortization and financial expense in the Income statement. Applying this standard has a negligible impact on the overall result; the only difference is the change in the positions where the cost is shown. Apart from depreciation and amortization, items of operating expenses that recorded an increase are: other costs by HRK +520 thousand or +47% (from HRK 1,101 to HRK 1,621 thousand), and staff costs by HRK +336 thousand or +7% (from HRK 4,567 to HRK 4,902 thousand). The decrease was recorded in material costs (from HRK 3,120 to HRK 2,773 thousand, or by HRK -347 thousand and -11%).

The increase in the item of other income and other expenses is influenced by a one-time item of subscription of shares of one of the issuers within the pre-bankruptcy settlement in the amount of HRK 383,630.54. This amount was posted as revenue and fully booked at the same time.

Operating loss amounted to HRK -109 thousand, which is a decrease of HRK 352 thousand compared to the first three quarters of the last year when operating loss amounted to HRK -461 thousand. However, in the first three quarters of 2019, financial income amounted to HRK 1,814 thousand and financial expenses amounted to HRK 421 thousand, which resulted in a positive net result. Profit for the period amounted to HRK 1,285 thousand, which is an increase of HRK +415 thousand (+48%) compared to the same period last year when profit for the period amounted to HRK 870 thousand.

Operating profit before interest, taxes, depreciation and amortization is positive and in the first three quarters of 2019 it amounted to HRK 704 thousand, up HRK +854 thousand from the same year-ago period.

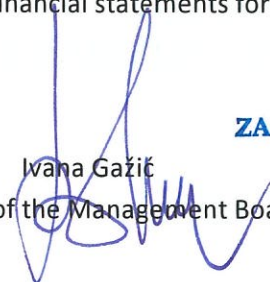
## 2 Declaration of responsibility for the preparation of financial statements


Financial statements of the Zagreb Stock Exchange, Inc. prepared for the period between 01/01/2019 and 30/09/2019 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 01/01/2019 and 30/09/2019 give an objective, complete and true statement of assets and liabilities, financial position and operations of the Company.

The management report for the first three quarters of 2019 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 the first three quarters of 2019 have not been audited.

  
Ivana Gažić  
President of the Management Board

  
**ZAGREBAČKA BURZA** d.d.  
Zagreb

  
1 Tomislav Gračan  
Member of the Management Board

### **Contact**

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

Phone number: +385/ 1 468 6806  
E-mail: [ir@zse.hr](mailto:ir@zse.hr)

Unconsolidated unaudited financial statements of the  
Company for 01/01/2019 – 30/09/2019

## Annex 1

## ISSUER'S GENERAL DATA

Reporting period:	1.1.2019	to	30.9.2019
Year:	2019		
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

Apartment 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): 24

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

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

Names of subsidiaries (according to IFRS):

Registered office:

MB:

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@sigmabo.eu

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

**BALANCE SHEET**  
balance as at 30.9.2019

in HRK

Submitter: Zagreb Stock Exchange, Inc			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
<b>ASSETS</b>			
<b>FIXED ASSETS 002+003+009+012</b>	<b>1</b>	<b>21.070.447</b>	<b>22.448.945</b>
<b>I INTANGIBLE ASSETS</b>	<b>2</b>	<b>630.572</b>	<b>903.111</b>
<b>II TANGIBLE ASSETS 004+...+008</b>	<b>3</b>	<b>399.620</b>	<b>1.505.579</b>
1 Land and buildings	4	0	0
2 Computer equipment	5	266.705	178.256
3 Other tangible assets	6	8.125	3.775
4 Leasehold improvements	7	124.790	1.323.548
5 Assets under construction	8	0	0
<b>III FIXED FINANCIAL ASSETS 010+011</b>	<b>9</b>	<b>20.040.255</b>	<b>20.040.255</b>
1 Investments in associates, subsidiaries and joint ventures	10	19.375.969	19.375.969
2 Financial assets at amortised cost	11	664.286	664.286
<b>DEFERRED TAX ASSETS</b>	<b>12</b>	<b>0</b>	<b>0</b>
<b>B CURRENT ASSETS 014+020+024</b>	<b>13</b>	<b>21.773.518</b>	<b>22.729.967</b>
<b>I RECEIVABLES 015+...+019</b>	<b>14</b>	<b>2.001.931</b>	<b>2.554.110</b>
1 Trade receivables	15	1.420.517	1.999.926
2 Receivables from employees and members of the undertaking	16	1.470	256
3 Receivables from government and other institutions	17	5.977	28.100
4 Receivables from connected undertakings	18	5.192	10.733
5 Other receivables	19	568.775	515.095
<b>III SHORT-TERM FINANCIAL ASSETS 021+...+023</b>	<b>20</b>	<b>17.692.980</b>	<b>19.626.528</b>
1 Financial assets at amortised cost	21	0	0
2 Financial assets at fair value through other comprehensive	22	0	0
3 Financial assets at fair value through statement of profit or	23	17.692.980	19.626.528
<b>III CASH AND CASH EQUIVALENTS</b>	<b>24</b>	<b>2.078.607</b>	<b>549.329</b>
<b>C PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>25</b>	<b>681.640</b>	<b>793.384</b>
<b>D TOTAL ASSETS 001+013+025</b>	<b>26</b>	<b>43.525.605</b>	<b>45.972.296</b>
<b>E OFF-BALANCE SHEET ITEMS</b>	<b>27</b>	<b>0</b>	<b>0</b>
<b>LIABILITIES</b>			
<b>A CAPITAL AND RESERVES 029+030+031+036+037+038</b>	<b>28</b>	<b>39.386.124</b>	<b>40.670.630</b>
<b>I INITIAL CAPITAL</b>	<b>29</b>	<b>46.357.000</b>	<b>46.357.000</b>
<b>II CAPITAL RESERVES</b>	<b>30</b>	<b>13.860.181</b>	<b>13.860.181</b>
<b>III PROFIT RESERVES 032+...+035</b>	<b>31</b>	<b>141.000</b>	<b>141.000</b>
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
<b>IV RETAINED PROFIT OR LOSS BROUGHT FORWARD</b>	<b>36</b>	<b>-22.282.590</b>	<b>-20.972.057</b>
<b>V PROFIT OR LOSS FOR THE YEAR</b>	<b>37</b>	<b>1.310.533</b>	<b>1.284.506</b>
<b>VI MINORITY INTEREST</b>	<b>38</b>	<b>0</b>	<b>0</b>
<b>B PROVISIONS</b>	<b>39</b>	<b>0</b>	<b>0</b>
<b>C SHORT-TERM LIABILITIES 041+...046</b>	<b>40</b>	<b>927.849</b>	<b>1.339.885</b>
1 Liabilities for advance payments	41	8.945	5.047
2 Trade payables	42	299.469	52.679
3 Liabilities to employees	43	296.506	283.780
4 Taxes, contributions and similar liabilities	44	322.929	239.402
5 Liabilities to connected undertakings	45	0	0
6 Other short-term liabilities	46	0	758.977
<b>D LONG-TERM LIABILITIES</b>	<b>47</b>	<b>0</b>	<b>446.913</b>
<b>E DEFERRED TAX LIABILITY</b>	<b>48</b>	<b>0</b>	<b>0</b>
<b>F ACCRUALS AND DEFERRED INCOME</b>	<b>49</b>	<b>3.211.632</b>	<b>3.514.868</b>
<b>G TOTAL LIABILITIES 028+039+040+047+048+049</b>	<b>50</b>	<b>43.525.605</b>	<b>45.972.296</b>
<b>H OFF-BALANCE SHEET ITEMS</b>	<b>51</b>	<b>0</b>	<b>0</b>
<b>Appendix to the balance sheet (position for consolidated financial statements)</b>			
<b>I Capital and reserves 053+054</b>	<b>52</b>	<b>0</b>	<b>0</b>
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 01.01.2019. to 30.9.2019

in HRK

Submitter: Zagreb Stock Exchange, Inc

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
<b>A OPERATING INCOME 002+009</b>	<b>1</b>	<b>9.033.769</b>	<b>2.913.332</b>	<b>10.173.504</b>	<b>3.780.471</b>
I Sales revenue 003+...+008	2	6.663.371	1.981.953	6.687.706	2.507.980
1 Commissions and membership fees	3	2.606.656	746.236	2.859.378	1.222.184
2 Listing maintenance fees	4	3.062.824	957.974	2.850.984	979.427
3 Income from quotation maintenance	5	659.646	159.646	675.892	209.580
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	334.245	118.097	301.452	96.789
II Other operating income 010+...+012	9	2.370.398	931.379	3.485.798	1.272.491
1 Income from application programming interface (API) services	10	0	0	0	0
2 Income from the supply of information	11	1.498.399	549.466	1.738.402	645.065
3 Other income	12	871.999	381.913	1.747.396	627.426
<b>B OPERATING EXPENSES 014+017+021+022+023+026+027</b>	<b>13</b>	<b>9.494.459</b>	<b>3.026.866</b>	<b>10.282.967</b>	<b>3.128.939</b>
I Material costs 015+016	14	3.120.425	905.700	2.772.976	922.947
1 Costs of raw materials	15	373.360	95.797	348.239	119.921
2 Other external costs	16	2.747.065	809.903	2.424.737	803.026
II Staff costs 018+...+020	17	4.566.702	1.523.541	4.902.506	1.535.938
1 Net salaries and wages	18	2.470.549	825.439	2.681.040	848.125
2 Tax and contributions from salary costs	19	1.442.910	478.473	1.543.227	477.287
3 Payroll contributions	20	653.243	219.629	678.239	210.526
III Depreciation	21	310.492	103.648	813.543	271.318
IV Other costs	22	1.100.687	467.369	1.620.841	398.080
V Value adjustment 024+025	23	128.206	10.000	142.240	0
1 fixed assets (other than financial assets)	24	0	0	0	0
2 current assets (other than financial assets)	25	128.206	10.000	142.240	0
VI Provisions	26	0	0	0	0
VII Other operating expenses	27	267.947	16.608	30.861	656
<b>C FINANCIAL INCOME 029+...+034</b>	<b>28</b>	<b>1.340.880</b>	<b>55.167</b>	<b>1.814.575</b>	<b>514.989</b>
1 Interest, exchange rate differences, dividends and similar	29	1.244.872	4	420.681	105
2 Interest, exchange rate differences, dividends and similar	30	67.292	29.452	145.456	110.911
3 Income share from associates and participating interests	31	0	0	0	0
4 Unrealised gains (income) from financial assets	32	28.716	28.716	1.248.438	403.973
5 Profit from reversal of provisions for impairment for expected	33	0	0	0	0
6 Other financial income	34	0	-3.005	0	0
<b>D FINANCIAL EXPENSES 036+...+040</b>	<b>35</b>	<b>10.637</b>	<b>-196.125</b>	<b>420.606</b>	<b>348.915</b>
1 Interest, exchange rate differences and other expenditures with	36	0	0	432	11
2 Interest, exchange rate differences and other expenditure from	37	10.552	4.121	56.822	17.544
3 Unrealised losses (expenses) from financial assets	38	5	-200.246	362.737	362.737
4 Loss on impairment for expected credit losses	39	0	0	0	0
5 Other financial expenses	40	80	0	615	-31.377
<b>E TOTAL INCOME 001+028</b>	<b>41</b>	<b>10.374.649</b>	<b>2.968.499</b>	<b>11.988.079</b>	<b>4.295.460</b>
<b>F TOTAL EXPENDITURE 013+035</b>	<b>42</b>	<b>9.505.096</b>	<b>2.830.741</b>	<b>10.703.573</b>	<b>3.477.854</b>
<b>G Share in profit/loss of associates and subsidiaries</b>	<b>43</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>H PRE-TAX PROFIT OR LOSS 041-042+043</b>	<b>44</b>	<b>869.553</b>	<b>137.758</b>	<b>1.284.506</b>	<b>817.606</b>
<b>I INCOME TAX</b>	<b>45</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>J PROFIT OR LOSS FOR THE PERIOD 044-045</b>	<b>46</b>	<b>869.553</b>	<b>137.758</b>	<b>1.284.506</b>	<b>817.606</b>
1 Change in revaluation reserves (property, plant,	47	0	0	0	0
2 Actuarial gains/losses on defined benefit pension plans	48	0	0	0	0
3 Unrealised gains/losses on financial assets at fair value through other comprehensive income	49	0	0	0	0
4 Gains/losses on hedging instruments in a cash flow hedge	50	0	0	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
<b>K OTHER COMPREHENSIVE INCOME 047+...+052</b>	<b>53</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL COMPREHENSIVE INCOME 046+053</b>	<b>54</b>	<b>869.553</b>	<b>137.758</b>	<b>1.284.506</b>	<b>817.606</b>
<b>M RECLASSIFICATION ADJUSTMENTS</b>	<b>55</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Appendix **</b>					
Attributable to owners of the parent	56	0	0	0	0
Attributable to non-controlling interest	57	0	0	0	0

**STATEMENT OF CASH FLOWS - indirect method**  
for the period 01.01.2019. to 30.9.2019

in HRK

Submitter: Zagreb Stock Exchange, Inc			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
1 Pre-tax profit	1	869.553	1.284.506
2 Depreciation	2	310.492	813.543
3 Increase in short-term liabilities	3	0	0
4 Decrease in short-term receivables	4	0	0
5 Decrease in inventories	5	742	0
6 Loss on impairment for expected credit losses	6	0	0
7 Other cash flow increase	7	0	0
<b>I Total cash flow increase from operating activities 001+...+007</b>	<b>8</b>	<b>1.180.787</b>	<b>2.098.049</b>
1 Decrease in short-term liabilities	9	203.162	346.941
2 Increase in short-term receivables	10	510.378	552.179
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	241.603	1.062.056
<b>II Total cash flow decrease from operating activities 009+...+013</b>	<b>14</b>	<b>955.143</b>	<b>1.961.176</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>			
1 Cash receipts from sale of fixed tangible and intangible assets	15	0	0
2 Cash receipts the from sale of equity instruments and debt	16	0	0
3 Interest received	17	0	0
4 Dividends received	18	0	0
5 Other cash receipts from investment activities	19	471.378	320.000
<b>III Total cash receipts from investment activities 015+...+019</b>	<b>20</b>	<b>471.378</b>	<b>320.000</b>
1 Cash payments for the purchase of fixed tangible and intangible	21	20.506	422.228
2 Cash payments for the acquisition of equity financial	22	0	0
3 Other cash payments from investment activities	23	0	1.000.000
<b>IV Total cash payments from investment activities 021+...+023</b>	<b>24</b>	<b>20.506</b>	<b>1.422.228</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
1 Cash receipts from the issue of equity financial instruments and debt financial instruments	25	0	0
2 Cash receipts from credit principals, debentures, loans and other borrowings	26	0	0
3 Other cash receipts from financing activities	27	0	0
<b>V Total cash receipts from financing activities 025+...+027</b>	<b>28</b>	<b>0</b>	<b>0</b>
1 Cash payments for credit principals and bonds	29	0	0
2 Cash payments for dividends	30	0	0
3 Cash payments for finance lease	31	0	0
4 Cash payments for the redemption of treasury shares	32	0	0
5 Other cash payments from financing activities	33	0	563.923
<b>VI Total cash payments from operating activities 029+...+033</b>	<b>34</b>	<b>0</b>	<b>563.923</b>
<b>VII Cash and cash equivalents at the beginning of period</b>	<b>35</b>	<b>882.758</b>	<b>2.078.607</b>
<b>VIII Increase of cash and cash equivalents</b>	<b>36</b>	<b>676.516</b>	<b>0</b>
<b>IX Decrease of cash and cash equivalents</b>	<b>37</b>	<b>0</b>	<b>1.529.278</b>
<b>X Cash and cash equivalents at the end of period</b>	<b>38</b>	<b>1.559.274</b>	<b>549.329</b>



**STATEMENT OF CHANGES IN EQUITY**

for the period from 1.1.2019 to 30.9.2019

in HRK

Item	ADP	Attributable to owners of the parent						Retained profit or loss brought forward	Fair value reserves	Other revaluation reserves	Attributable to non-controlling interests	Total capital and reserves
		Subscribed capital	Capital reserves	Profit reserves	Profit or loss for the year (period)	Profit or loss brought forward	Fair value reserves					
1	2	3	4	5	6	7	8	9	10	11		
<b>Balance on the first day of the previous business year</b>	<b>1</b>	46.357.000	13.860.181	141.000	-4.404.571	-17.590.812	0	0	0	38.362.798		
Change in accounting policies	2	0	0	0	0	-287.207	0	0	0	-287.207		
Correction of errors from prior periods	3	0	0	0	0	0	0	0	0	0		
<b>Balance on the first day of the previous business year (restated)</b>	<b>4</b>	46.357.000	13.860.181	141.000	-4.404.571	-17.878.019	0	0	0	38.075.591		
Profit or loss for the period	5	0	0	0	1.310.533	0	0	0	0	1.310.533		
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		
<b>Total directly recognised income and expenses of the previous year (previous year periods)</b>	<b>8</b>	0	0	0	1.310.533	0	0	0	0	1.310.533		
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	4.404.571	-4.404.571	0	0	0	0		
<b>Balance on the last day of the previous business year reporting period</b>	<b>13</b>	46.357.000	13.860.181	141.000	1.310.533	-22.282.590	0	0	0	39.386.124		
<b>Balance on the first day of the current business year</b>	<b>14</b>	46.357.000	13.860.181	141.000	1.310.533	-22.282.590	0	0	0	39.386.124		
Change in accounting policies	15	0	0	0	0	0	0	0	0	0		
Correction of errors from prior periods	16	0	0	0	0	0	0	0	0	0		
<b>Balance on the first day of the current business year (restated)</b>	<b>17</b>	46.357.000	13.860.181	141.000	1.310.533	-22.282.590	0	0	0	39.386.124		
Profit or loss for the period	18	0	0	0	1.284.506	0	0	0	0	1.284.506		
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		
<b>Total directly recognised income and expenses of the current year (current period)</b>	<b>21</b>	0	0	0	1.284.506	0	0	0	0	1.284.506		
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	-1.310.533	1.310.533	0	0	0	0		
<b>Balance on the last day of the current business year reporting period</b>	<b>26</b>	46.357.000	13.860.181	141.000	1.284.506	-20.972.057	0	0	0	40.670.630		

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

Name of the issuer: Zagreb Stock Exchange, Inc

Personal identification number (OIB): 84368186611

Reporting period: 1.1.2019 – 30.9.2019

Notes to financial statements for quarterly periods include:

- a) an explanation of business events relevant to understanding changes in the statement of financial position and financial performance for the quarterly reporting period of the issuer with respect to the last business year: information is provided regarding these events and relevant information published in the last annual financial statement is updated
- b) information on the access to the latest annual financial statements, for the purpose of understanding information published in the notes to financial statements drawn up for the quarterly reporting period
- c) a statement explaining that the same accounting policies are applied while drawing up financial statements for the quarterly reporting period as in the latest annual financial statements or, in the case where the accounting policies have changed, a description of the nature and effect of the changes
- d) a description of the financial performance in the case of the issuer whose business is seasonal.